UNITED NATIONS

A

General Assembly

Distr.
GENERAL

A/45/798
27 November 1990

ORIGINAL: ENGLISH

Forty-fifth session
Agenda item 122

ADMINISTRATIVE AND BUDGETARY CO-ORDINATION OF THE UNITED NATIONS WITH THE SPECIALIZED AGENCIES AND THE INTERNATIONAL ATOMIC ENERGY AGENCY

Report of the Advisory Committee on Administrative and Budgetary Questions

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I. INTRODUCTION

1. In accordance with its terms of reference, 1/ the Advisory Committee on Administrative and Budgetary Questions met in 1990 with the executive heads (or their senior representatives) of the following organizations whose agreements with the United Nations provide for transmittal of their budgets for review by the General Assembly: the International Labour Organisation (ILO), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the International Civil Aviation Organization (ICAO), the Universal Postal Union (UPU), the World Health Organization (WHO), the International Telecommunication Union (ITU), the World Meteorological Organization (WMO), the World Intellectual Property Organization (WIPO), the United Nations Industrial Development Organization (UNIDO) and the International Atomic Energy Agency (IAEA). Two organizations, the International Maritime Organization (IMO) and the International Fund for Agricultural Development (IFAD) communicated with the Committee by correspondence.

2. The Advisory Committee extends its thanks to the executive heads of the specialized agencies and IAEA for their assistance in connection with the preparation of the present report.

II. GENERAL OBSERVATIONS AND COMPARATIVE TABLES

3. The special topic taken up by the Advisory Committee during its meetings with the specialized agencies and IAEA related to the problem of illicit trafficking in narcotic drugs; the Committee's comments on this topic are contained in section IV. The Advisory Committee also discussed with the agencies the Joint Inspection Unit's report on budgeting in organizations of the United Nations system. The Committee's comments in this connection are contained in section V. Finally, the Committee also sought the agencies' views regarding the question of future support-cost arrangements. The Committee noted the concern of the agencies with regard to the need for adequate and satisfactory consultation among all concerned. The Committee understands that a progress report on the implementation of the United Nations Development Programme (UNDP) Governing Council decision 90/26 on agency support costs will be submitted by the Administrator of UNDP to the Governing Council in February 1991 with a final report to be submitted in spring 1991. As in the past, it is the intention of the Advisory Committee to be fully involved in this process and to report to the Governing Council and the General Assembly accordingly.

4. On another matter, the Committee also continued to follow developments with respect to the relationship between the World Food Programme (WFP) and FAO. In this connection, the Committee understands that the Committee on Food Aid Policies and Programmes (CFA) has established a sub-committee of the whole to review the governance of WFP and the relationships between the United Nations, FAO and WFP. The Committee intends to continue to follow the situation closely and to meet with all parties concerned on this matter.

5. The present report contains nine tables which provide comparative data on the following:

A.1. Total amounts of approved regular budgets, including supplementary estimates, 1982-1991;

A.2. Total net contributions of Member States actually payable under approved regular budgets, including supplementary estimates, 1982-1991;

B. Established posts, 1989-1991;

C. Regular budget contributions to technical co-operation activities, 1989-1991;

D.1. Extrabudgetary funds administered by the United Nations system of organizations, contributions, 1988-1989;

D.2. Extrabudgetary funds administered by the United Nations system of organizations, expenditures, 1988-1989;

E. Working capital funds, 1991;

F. Scales of assessment applicable in 1991;

G. Collection of contributions, 1989-1990.

6. As can be seen from tables A.1 and A.2, 2/ the regular budgets (or budget estimates) of the United Nations, the specialized agencies (excluding IFAD) and IAEA for 1991 will amount to $2,326,146,666, of which $2,171,419,466 will be covered by assessed contributions. In addition, depending on decisions by the General Assembly and the Security Council, further assessed contributions for the United Nations are likely to arise in 1991 for peace-keeping operations; for 1990, the amount assessed for this purpose totals $275.4 million, including $5.3 million projected assessments for the United Nations Disengagement Observer Force (UNDOF) and the United Nations Observer Group in Central America (ONUCA).

7. As shown in table B, the total number of established posts authorized or requested under the regular budgets of the specialized agencies (excluding IFAD) and IAEA for 1991 is 13,274, which is 44 more than the 1990 total of 13,230 (excluding IFAD). The number of established posts authorized under the regular budget of the United Nations for 1991 is 9,951. Accordingly, a grand total of 23,225 established posts for 1991 has been authorized or requested under the regular budgets of the United Nations, the specialized agencies (excluding IFAD) and IAEA, which represents an increase of 44 posts compared to the 1990 total of 23,181 (excluding IFAD).

8. Not all established posts are filled on a year-round basis; in recognition of this situation, several agencies apply a vacancy or turnover

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deduction to their estimated staff costs. On the other hand, while established posts still account for much of the agencies' personnel resources, they do not show the full picture. For example, the total for FAO excludes that organization's country representatives. Moreover, all organizations have available to them additional staffing resources under their regular budgets (e.g., temporary posts, temporary assistance). In addition to these resources, the United Nations and most agencies have a substantial number of posts funded by extrabudgetary sources; therefore, the total number of staff members in posts on a given date is much greater than the number of regular budget established posts.

9. The following table shows the number of staff in regular and extrabudgetary posts (with contracts of one year or more), as well as the total number of participants in the United Nations Joint Staff Pension Fund (UNJSPF) as at 31 December 1989. Because the Fund, in 1989, covered all staff members with contracts of six months or more, the total of the Pension Fund (of which UPU is not a member) is higher than the combined total shown for regular and extrabudgetary posts.

Number of staff

(as at 31 December 1989)

	Regular budget	Extrabudgetary	Total a/	Participants in UNJSPF b/
ILO	1 539	1 275	2 814	3 160
FAO	2 930	3 401 c/	6 331	6 955
UNESCO	2 183	601	2 784	2 861
ICAO	617	445	1 062	1 076
UPU	145	24	169	d/
WHO	3 586 e/	1 643 f/	5 229 e/ f/	6 091 g/
ITU	647	252	899	1 031
WMO	229	149	378	406
IMO	232	84	316	327
WIPO	307	24	331	358
IFAD	214	24	238	251
UNIDO	971	672	1 643	1 857
IAEA	1 635	124	1 759	1 939
Subtotal specialized agencies and IAEA	15 235	8 718	23 953	26 312
United Nations	9 694 h/	16 878 i/	26 572 h/ i/	29 910 j/
Grand total	24 929	25 596	50 525	56 222 k/

(Footnotes on following page)

(Footnotes to table)

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a/ Consultative Committee on Administrative Questions personnel statistics for 31 December 1989.

b/ Based on Official Records of the General Assembly, Forty-fifth Session, Supplement No. 9 (A/45/9), annex I.

c/ Including staff of WFP.

d/ Not a participant in UNJSPF.

e/ Includes 632 staff members of the Pan American Health Organization (PAHO).

f/ Includes 144 staff members of PAHO.

g/ Includes 1,193 participants in UNJSPF of PAHO.

h/ Includes United Nations (9,231), regular budget staff of the Office of the United Nations High Commissioner for Refugees (UNHCR) (251), international staff of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) (119), the International Civil Service Commission (ICSC) (45) and the International Court of Justice (ICJ) (48).

i/ Includes United Nations (4,472), the United Nations Development Programme (UNDP) together with the United Nations Population Fund (UNFPA) (6,446), the United Nations Children's Fund (UNICEF) (3,916), the international staff of the United Nations University (UNU) (109), UNHCR voluntary fund staff (1,935).

j/ In addition to United Nations regular budget staff, this includes UNDP/UNFPA headquarters staff (Professional and Local), international Professionals and local level staff in the field; international and local staff of UNICEF; international and local staff of the United Nations University; international and local staff of the International Trade Centre; local staff of the United Nations Disengagement Observer Force (UNDOF), the United Nations Interim Force in Lebanon (UNIFIL) and United Nations Assistance for the Reconstruction and Development of Lebanon; General Agreement on Tariffs and Trade (GATT); International Centre for the Study and Preservation and the Restoration of Cultural Property; European and Mediterranean Plant Protection Organization; the United Nations African Institute for Economic Development and Planning; International Research and Training Institute for the Advancement of Women (local staff); Law of the Sea (local staff); United Nations Iran-Iraq Military Observer Group (UNIIMOG); United Nations Angola Verification Mission (UNAVEM); United Nations Transition Assistance Group (UNTAG); and extrabudgetary staff of the Regional Centre for Peace and Disarmament in Africa.

k/ This figure corresponds with that reported by the Pension Fund Board in annex I of its report (Official Records of the General Assembly, Forty-fifth Session, Supplement No. 9 (A/45/9)).

10. The regular budget contributions to technical co-operation activities are shown in table C. As can be seen from that table, the United Nations, the specialized agencies and IAEA estimate that their regular programmes of technical co-operation in 1991 will amount to a total of $387,178,600, of which $266,151,000 will be provided under the regular budget of WHO. The assessed budgets of most of the organizations also contribute towards the support costs of projects executed by them on behalf of funding programmes or under trust fund agreements. In the absence of cost accounting to determine such costs precisely, the actual amounts contributed are not known. The United Nations, the specialized agencies and IAEA estimate, however, as an order of magnitude, that in 1991 their regular budgets will contribute $141,422,900 towards the support costs of projects. On that basis, the organizations estimate that in 1991 their total regular budget expenditures on technical co-operation activities will amount to $528.6 million, that is, 22.7 per cent of their combined regular budgets indicated in table A.1. This percentage compares with a figure of 21.9 per cent reported in 1989 (see A/44/711, para. 9).

11. Tables D.1 and D.2 indicate the extrabudgetary funds administered by members of the United Nations system in 1988 and 1989. Information regarding contributions (table D.1) is presented in the same format as the information contained in the addendum to the report of the Committee on Contributions. (That addendum is issued in odd-numbered years only.) The information in table D.2 regarding extrabudgetary expenditures for the years 1988-1989 is consistent with that contained in the report of the Administrative Committee on Co-ordination on expenditures of the United Nations system in relation to programmes. 3/ The figures in table D.1 represent funds contributed directly to the organization while those in table D.2, which cover both actual and estimated expenditure, were calculated under guidelines worked out by the Committee; pursuant to those guidelines, the organizations were asked to report figures corresponding to 100 per cent of their actual or estimated expenditures, with the proviso that, where one organization finances activities carried out by another organization, the related expenditures are reported by the executing organization. The figures in tables D.1 and D.2 are thus not directly comparable.

12. Table E shows the amount approved or proposed for the working capital funds of the organizations in relation to the gross budget or budget estimates for 1991 and, where appropriate, to the gross budgets or estimates for the financial periods. As noted previously by the Advisory Committee, "the levels of the working capital funds and the percentages those amounts bear to the gross budgets may not be directly comparable, mainly because there is no uniformity in the use to which working capital funds are put by the individual organizations in accordance with their respective constitutional requirements" (A/37/547, para. 14).

13. For all of the organizations except IMO, the scales of assessment (or proposed scales) applicable in 1991 are given in table F. The scale shown for IMO is that for 1990.

14. As can be seen from table G, the total of all contributions outstanding, regardless of year of account, was as follows:

	30 September 1989	30 September 1990
	(Thousands of United States dollars)	
United Nations	609 635.0	641 017.0
Specialized agencies and IAEA	675 169.9	870 871.8

The total outstanding contributions as at 30 September 1990 equalled 70.7 per cent of total net contributions of Member States actually payable in respect of 1990 (see table A.2), as compared to a corresponding figure of 63.45 per cent as at 30 September 1989 (see A/44/711, para. 13).

Table A.1. Total amounts of approved regular budgets, including supplementary estimates a/

(United States dollars)

Organization	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
UN b/	631 260 550	631 260 550	682 373 100	682 373 100	725 270 700	725 270 700	762 763 100	762 763 100	849 649 600	849 649 600
ILO	119 252 589	120 179 588	127 359 263	127 359 263	139 898 475	139 898 476	178 493 665	178 493 666	165 220 000	165 220 000
FAO	183 320 000	183 320 000	210 570 000	210 570 000	218 500 000	218 500 000	246 180 000	246 180 000	284 400 000 c/	284 400 000 c/
UNESCO	208 458 000	208 458 000	187 205 000	187 205 000	164 053 490	164 053 490	175 193 000	175 193 000	189 394 000	189 394 000
WHO	234 450 000	234 450 000	260 050 000	260 050 000	271 650 000	271 650 000	304 490 000	304 490 000	326 870 000	326 870 000
ICAO b/	24 262 000	26 218 000	29 141 000	30 509 000	32 349 000	30 816 000	32 105 000	33 701 000	39 393 000 d/	43 917 000 d/
UPU	9 493 239	9 531 284	9 380 480	10 986 268	14 727 976	18 207 279	17 032 986	16 968 634	16 293 292	17 785 280
ITU	44 634 788	43 777 936	40 724 400	44 594 000	66 639 000	85 027 500	81 421 040	78 951 180	80 263 980	82 695 650
WMO	17 516 800	18 558 700	18 750 000	19 480 000	23 559 000	26 348 600	28 692 500	28 692 500	30 511 007	30 511 007
IMO e/	11 352 100	12 731 400	12 593 600	11 848 200	14 480 000	15 205 000	18 187 500	18 171 284	21 603 331	23 881 643 f/
WIPO	16 850 000	16 463 532	17 350 400	20 754 067	29 418 452	36 340 441	37 181 250	33 255 280	42 703 727	42 703 727
IFAD	20 500 000	22 700 000	24 795 000	26 605 000	29 005 000	33 400 000	34 994 000	36 336 000	40 335 180	n.a.
IAEA	86 369 000	91 561 000	96 830 000	95 025 000	98 680 000	103 899 000	137 337 000	157 540 000	162 832 000 g/	178 678 009 h/
UNIDO	-	-	-	-	57 903 402	57 903 402	77 141 721	77 141 721	90 240 750 i/	90 240 750 i/
Specialized agencies and IAEA	976 458 516	987 949 440	1 034 749 343	1 044 985 798	1 160 863 795	1 201 249 188	1 368 449 662	1 385 114 265	1 490 060 267	1 476 497 066
Grand total	1 607 719 066	1 619 209 990	1 717 122 443	1 727 358 898	1 886 134 495	1 926 519 888	2 131 212 762	2 147 877 365	2 339 709 867	2 326 146 666

(Footnotes on following page)

(Footnotes to table A.1)

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a/ This table shows the amounts of the expenditure estimates actually approved under regular budgets, taking account of any approved supplementary estimates. No adjustments have been made in the figures. Where organizations have an Undistributed Reserve it is excluded from the figures, so that the comparisons relate to effective working budgets. Estimated expenditures for the support of extrabudgetary activities are included where and to the extent that they are integrated in the regular budget. Estimated budgetary reimbursements to accounts drawn upon to finance expenditures under the budget or supplementary authorizations are reported in the period of reimbursement. Figures representing biennial budgets are divided into two equal annual figures. Budgets expressed in Swiss francs are converted into dollars at the United Nations operational rate of exchange at the end of each year, except for the 1990 and 1991 figures, which have been converted at the December 1989 rate. Rates used are as follows (Swiss francs to the dollar): 1982 - 2.13; 1983 - 2.18; 1984 - 2.50; 1985 - 2.09; 1986 - 1.68; 1987 - 1.36; 1988 - 1.44; 1989-1991 - 1.61. For consistency, WMO used rate of 1.44 for 1988-1991.

b/ Net of staff assessment.

c/ Figures represent the effective working budget for 1990-1991 of $US 568,800,000 as approved by the FAO conference. They are based on a budget exchange rate of Lit 1,335 = $US 1 also approved by the FAO conference in November 1989.

d/ A proposal for supplementary appropriations for the years 1990, 1991 and 1992 will be presented at the twenty-eighth session (extraordinary) of the Assembly which is scheduled to be held in October 1990.

e/ Approved regular budget and contributions denominated in pounds sterling and converted to United States dollars at $US 1.72 = 1.00 for 1989 and at $US 1.79 = 1.00 for 1990 and 1991.

f/ Proposed.

g/ At an exchange rate of S 12.70 to $US 1.

h/ At an exchange rate of S 12.70 to $US 1.

i/ Based on exchange rate of $US 1 = S 12.90.

Table A.2. Total net contributions of Member States actually payable under approved regular budgets, including supplementary estimates a/

(United States dollars)

Organization	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
UN	604 728 146	588 347 789	649 685 500	658 406 964	700 434 350	724 536 742	724 178 050	747 074 062	790 869 100	803 703 900 b/
ILO	117 136 230	122 572 715	127 359 263	127 359 263	126 557 343	126 557 343	162 413 757	194 573 574	165 220 000	165 220 000
FAO	176 190 000	176 190 000	197 290 000	197 290 000	198 000 000	198 000 000	240 320 000	240 320 000	278 400 000 c/	278 400 000 c/
UNESCO	199 160 000	199 160 000	172 350 000	172 350 000	127 925 490	127 925 490	188 434 849	167 937 680	182 426 500	182 426 500
WHO	219 950 000	219 950 000	230 300 000	230 300 000	240 755 000	240 755 000	289 990 000	276 029 000	304 381 500	304 381 500
ICAO	22 320 000	24 190 000	27 090 000	28 362 000	30 124 000	28 830 000	30 [illegible]90 000	31 640 000	36 110 000 d/	41 040 000 d/
UPU	8 700 704	8 533 257	7 455 000	9 579 904	12 727 000	16 542 221	15 [illegible]6 410	13 792 090	15 148 789	16 250 888
ITU	33 585 953	35 970 137	34 167 300	35 824 600	55 736 000	67 014 360	63 492 240	57 617 640	66 268 790	68 430 270
WMO	15 666 300	14 075 100	18 750 000	19 270 000	15 769 400	23 372 361	33 482 871	28 516 771	30 511 007	30 511 007
IMO	10 808 100	11 221 400	10 653 800	10 132 479	11 918 000	12 291 000	16 087 700	17 607 812	21 188 051 e/	23 394 763 f/
WIPO	8 568 075	8 371 560	8 011 600	9 583 254	13 561 310	16 752 206	15 833 333	14 161 491	14 835 378	14 835 638
IAEA	77 [illegible]44 000	81 036 000	88 786 000	87 340 000	90 570 000	95 909 000	129 137 000	148 531 000	154 931 000 g/	164 466 000 h/
UNIDO	-	-	-	-	57 903 402	57 903 402	77 141 721	77 141 721	78 359 000 i/	78 359 000 i/
Specialized agencies and IAEA	889 429 362	901 270 169	922 212 963	927 391 500	979 996 924	1 011 852 383	1 262 039 881	1 267 868 779	1 347 780 015	1 367 715 566
Grand total	1 494 157 508	1 489 617 958	1 571 898 463	1 585 798 464	1 680 431 274	1 736 389 125	1 986 167 931	2 014 942 841	2 138 649 115	2 171 419 466

(Footnotes on following page)

(Footnotes to table A.2)

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a/ This table shows the amounts of assessed contributions actually payable by Governments to finance regular budgets and any supplementary estimates. No other financing is reported. Where organizations have an Undistributed Reserve, the corresponding amount of contributions is excluded from the figures. Assessments expressed in Swiss francs are converted into dollars on the same basis as Swiss-franc budget levels (see table A.1, footnote a/).

b/ Proposed.

c/ FAO figures are based on the effective working budget for 1990-1991 of $US 568,800,000, less estimated miscellaneous income of $US 12,000,000, the net of which amounts to $US 556,800,000 or $US 278,400,000, apportioned evenly to each year of the biennium 1990-1991.

d/ A proposal for supplementary appropriations for the years 1990, 1991 and 1992 will be presented at the twenty-eighth session (extraordinary) of the Assembly which is scheduled to be held in October 1990.

e/ Contributions denominated in pounds sterling and converted to United States dollars at $US 1.79 = £1.00 for 1990 and 1991.

f/ Proposed.

g/ At an exchange rate of S 12.70 to $US 1.

h/ At an exchange rate of S 12.70 to $US 1.

i/ For 1990-1991, payments of assessed contributions amounting to $US 156,718,000 were decided at an exchange rate of $US 1 = S 12.90 ($23,506,800 plus the equivalent of United States dollars of S 1,718,425,770).

Table B. Established posts, 1989-1991

(excluding posts financed from agency support costs)

Organization	1989	1990	1991	1991/1989 increase (decrease) Number	1991/1989 increase (decrease) Percentage	1991/1990 increase (decrease) Number	1991/1990 increase (decrease) Percentage
ILO	1 254	1 254	1 254	-	-	-	-
FAO	2 391 a/	2 375 a/	2 375 a/	(16)	(0.7)	-	-
UNESCO	2 082	2 073	2 073	(9)	(0.4)	-	-
ICAO	694 b/	679 b/	679 b/	(15)	(2.2)	-	-
UPU	129	131	134	5	3.9	3	2.3
WHO	2 469	2 461	2 461	(8)	(0.3)	-	-
ITU c/	695	693	715	20	2.88	22	3.2
WMO	246	246	246	-	-	-	-
IMO	256	257	257	1	0.4	-	-
WIPO	297	333	350	53	17.8	17	5.1
IFAD	224	233	n.a.	n.a.	n.a.	n.a.	n.a.
IAEA	1 739	1 749	1 751	12	0.7	2	0.1
UNIDO	945	979	979	34	3.6	-	-
Subtotal (specialized agencies and IAEA)	13 421	13 463	13 274 d/	77 e/	.6 e/	44 f/	.3 f/
United Nations	11 169	9 951	9 951	(1 218)	(10.9)	-	-
Grand total	24 590	23 414	23 225 d/	(1 141) e/	(4.7) e/	44 f/	.2 f/

(Footnotes on following page)

(Footnotes to table B)

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a/ Excludes posts of FAO Representative offices (747 posts as at 1 January 1990).

b/ Excludes 216 posts in Technical Assistance Administrative and Operational Services Costs (extrabudgetary fund).

c/ Excludes posts in the Technical Co-operation Accounts Budget (paid for by Agency Support Costs).

d/ Excludes IFAD.

e/ Excludes IFAD from both 1991 and 1989.

f/ Excludes IFAD from both 1991 and 1990.

Table C. Regular budget contributions to technical co-operation activities, 1989-1991

(Thousands of United States dollars)

Organization	1989			1990			1991		
	Regular programme	Excess of support costs over reimbursement	Total	Regular programme	Excess of support costs over reimbursement	Total	Regular programme	Excess of support costs over reimbursement	Total
ILO	20 800	20 600	41 400	16 300	22 850	39 150	20 000	24 250	44 250
FAO	29 889	20 000	49 889	29 000	20 000	49 000	32 000	20 000	52 000
UNESCO	5 117	9 330	14 447	7 331	10 800	18 131	7 332	10 800	18 132
ICAO	-	-	-	-	-	-	-	-	-
UPU	1 026	745	1 771	1 026	919	1 945	1 129	1 061	2 190
WHO	227 520	16 514 a/	244 034	266 151	15 146 b/	281 297	266 151	15 146 b/	281 297
ITU c/	3 877	475	4 352	9 379	475	9 854	10 674	-	10 674
WMO d/	2 367.8	709	3 076.8	2 780.2	269.7 e/	3 049.9	2 780.2	269.7 e/	3 049.9
IMO	-	1 531	1 531	-	2 429	2 429	-	2 605	2 605
WIPO	3 002	902	3 904	3 270 b/	940 b/	4 210	3 348 b/	1 005 b/	4 353
IAEA	17 600	400	18 000	19 300	500	19 800	20 900	500	21 400
UNIDO	6 323.1	27 902	34 225.1	4 621.2 f/	30 945.7 g/	35 566.9	4 782.9 f/	32 222.9 g/	37 005.8
Subtotal (specialized agencies and IAEA)	317 521.9	99 108	416 629.9	359 158.4	105 274.4	464 432.8	369 097.1	107 859.6	476 956.7
United Nations	18 419	23 963.4	42 382.4	18 081.5	31 985.4	50 066.9	18 081.5	33 563.3	51 644.8
Grand total	335 940.9	123 071.4	459 012.3	377 239.9	137 259.8	514 499.7	387 178.6	141 422.9	528 601.5

(Footnotes on following page)

(Footnotes to table C)

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a/ Figures updated to take account of estimated actual obligations.

b/ Figures based on estimates.

c/ Apart from the sums shown above under this heading, the shortfall on support costs cannot be borne by the ordinary budget.

d/ Exchange rate of 1.61 (official United Nations rate of December 1989) used to convert Swiss francs to United States dollars. Figures for annual periods are based on one half of the biennial amount.

e/ Figures for 1990-1991 are likely to be adjusted upwards if the deficit in support cost income to the Technical Co-operation Programme continues to be as severe as it was in the 1988-1989 biennium.

f/ At an exchange rate of $US 1 = S 12.90.

g/ Estimated on the basis of its proportion to appropriation.

Table D.1. Extrabudgetary funds administered by the United Nations system of organizations: Cash payments received in respect of voluntary contributions, 1988-1989 a/

(Thousands of dollars)

Organization	Member States b/		Non-Member States b/		Other major contributions c/		Total	
	1988	1989	1988	1989	1988	1989	1988	1989
United Nations d/	228 817.3	335 687	6 324.7	5 775.5	2 275.5	4 685.4	237 417.5	346 147.9
UNICEF	337 290.1	268 207.1	10 372.2	10 322.8	-	808	347 662.3	279 337.9
UNDP e/	1 129 171.4	1 133 238.9	48 165.9	61 825.8	806.3	1 871.4	1 178 143.6	1 196 936.1
WFP	290 166.8	397 694.9	-	2 778.6	12 031.9	39 785.5	302 198.7	440 259
UNRWA f/	149 621.1	167 199.1	2 171.2	2 168.9	28 412.9	23 193.7	180 205.2	192 561.7
UNFPA	163 421.7	175 394	4 460.1	4 433.9	-	-	167 881.8	179 827.9
ILO	44 815.0	55 467	135.9	113	12 153.9	24 842	57 104.8	80 422
FAO	156 520	149 439	3 317	5 127	2 572	1 363	162 409	155 929
UNESCO	15 460	24 884	609	1 593	3 167	2 180	19 236	28 657
WHO	206 866	145 365	12 254	762	2 314	670	221 434	146 797
ICAO	14 532	8 413	-	-	-	-	14 532	8 413
UPU	271.1	213	41.7	105.2	-	-	312.8	318.2
ITU g/	69	97	-	-	278	-	347	97
WMO h/	6 861	8 953	-	-	234.5	407	7 095.5	9 360
IMO	6 976	7 083	-	-	473	469	7 449	7 552
WIPO	866	1 066	-	-	-	-	866	1 066
IAEA	31 642.5	33 484	525.5	573.2	-	-	32 168	34 057.2
UNHCR	351 411.5	384 675.2	8 853.5	10 165.8	15 536.4	8 601.9	375 801.4	403 442.9
UNIDO	31 822 i/	58 826 i/	-	-	2 737 j/	9 340 j/	34 559	68 166
Total	3 166 600.5	3 355 386.2	97 230.7	105 744.7	82 992.4	118 216.9	3 346 823.6	3 579 347.8

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(Footnotes to table D.1)

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a/ As per the addendum to the report of the Committee on Contributions (Official Records of the General Assembly, Forty-fourth Session, Supplement No. 11, A/44/11) for 1988 only. The addendum with information for 1989-1990 will be issued in August 1991.

b/ Some Member States of the United Nations may be non-member States of other organizations, and some non-Member States of the United Nations may be member States of other organizations.

c/ Comprised of Arab Gulf Programme for United Nations Development Organizations (AGFUND), European Economic Community (EEC) and Organization of Petroleum Exporting Countries (OPEC).

d/ Includes United Nations trust funds, the United Nations Force in Cyprus (UNFICYP), the United Nations Institute for Training and Research (UNITAR) (including UNITAR Special-Purpose Grants Fund), the United Nations Centre for Human Settlements (UNCHS) (United Nations Habitat and Human Settlements Foundation and the International Year of Shelter for the Homeless) and the United Nations Environment Programme (UNEP) (Environment Fund and trust funds).

e/ Includes UNDP-administered trust funds.

f/ Includes special projects but does not include emergencies in Gaza, West Bank and Lebanon.

g/ Contributions received from extrabudgetary sources for technical assistance activities are treated as funds-in-trust, and consequently included in the estimates for table D.2.

h/ Figures reflect the use of the official United Nations exchange rate of December 1989 (1.61) to convert from Swiss francs to United States dollars.

i/ Contributions for Industrial Development Fund and Trust Funds.

j/ Includes interest income.

Table D.2. Extrabudgetary funds administered by the United Nations system of organizations: extrabudgetary expenditures, 1988-1989

(Thousands of United States dollars)

Organization	1988	1989
United Nations a/	1 050 860	1 085 010.6
UNICEF	516 139.3	633 117.7
UNDP b/	271 784.7	304 948.7
WFP	1 117 400	1 035 300
UNRWA	230 874	265 009.3
UNFPA	89 955.9	104 405.4
ILO	118 860	133 587
FAO	353 031	368 856
UNESCO	71 900	77 550
WHO	230 928 c/	324 675 c/
ICAO	55 282	57 583
UPU	571.2	453.1
ITU	37 373	38 556
WMO d/	e/	46 760.4 e/
IMO	14 686.1	15 588.4
WIPO	5 577	5 586
IAEA	70 850	74 197
UNIDO f/	119 780	133 782
Total	4 355 852.2	4 666 409.6

a/ Includes expenditures financed by the Fund of the United Nations Environment Programme and channelled through bodies not included in the report of the Administrative Committee on Co-ordination; also includes expenditures of the UNHCR voluntary funds and the International Trade Centre.

b/ Includes expenditures for activities financed by UNDP and channelled through bodies not included in the report of the Administrative Committee on Co-ordination.

c/ Exclusive of PAHO and the International Agency for Research on Cancer (IARC) expenditures for 1988-1989.

d/ Figures reflect the use of the official United Nations exchange rate of December 1989 (1.61) to convert from Swiss francs to United States dollars.

e/ Figures not available on an annual basis, as the organization operates on a biennial basis. The figure provided in the 1989 column is for the two-year period 1988-1989.

f/ Technical co-operation delivery from all sources of funds.

Table E. Working capital funds, 1991

(Thousands of United States dollars)

Organization	1991 gross budget or budget estimate	Gross budget or estimates for financial period	Working Capital Fund	Percentage of column (3) to column (1)	Percentage of column (3) to column (2)
ILO	178 512	357 023	20 526 a/	11.50	5.75
FAO	319 000	638 000	20 000	6.26	3.13
UNESCO	189 394	378 788	15 000	7.92	3.96
ICAO	38 463 b/	115 532 c/	4 200	10.92	3.64
UPU d/	-	-	-	-	-
WHO	363 050	726 100	11 135	3.07	1.53
ITU e/	-	-	-	-	-
WMO	27 289	105 591 e/	2 008	7.35	1.90
IMO f/	23 882	45 485	2 238	9.37	4.92
WIPO	42 704	85 407	4 851	11.4	5.7
IAEA	178 878 g/	178 878 g/	8 000	4.5	4.5
United Nations	987 317	1 974 634	100 000	10.13	5.06
UNIDO	92 065.3 h/	180 481.5	9 000 i/	9.8	5.0

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(Footnotes to table E)

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a/ Converted from Swiss francs to United States dollars at the ILO 1990-1991 budget rate of SwF 1.75 = $US 1.

b/ A proposal for supplementary appropriations for the years 1990, 1991 and 1992 will be presented at the twenty-eighth session (extraordinary) of the Assembly, which is scheduled to be held in October 1990.

c/ Triennial (1990, 1991, 1992).

d/ Organization has no Working Capital Fund.

e/ The financial period covers the period 1988-1991. Working Capital Fund is SwF 3,232,095. Gross budget for 1989, gross budget for the financial period and Working capital fund have been converted to $US 1.00 = SwF 1.61.

f/ Working Capital Fund is £1,250,000.00, converted to United States dollars at the rate of $US 1.79 = £1.00.

g/ The IAEA budget is net. No staff assessment is considered.

h/ At an exchange rate of $US 1 = S 12.90.

i/ UNIDO decision G3.3/Dec.20.

Table F. Scales of assessment applicable in 1991

(Percentage)

Members a/	United Nations b/	ILO	FAO c/	UNESCO d/	ICAO	UPU	WHO	ITU	WMO	IMO e/	WIPO	IAEA f/	UNIDO
Afghanistan	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.02	0.02	-	-	0.007	0.01
Albania	0.01	-	0.01	0.01	-	0.11	0.01	0.07	0.02	-	-	0.007	0.01
Algeria	0.15	0.15	0.18	0.15	0.30	0.53	0.15	0.26	0.13	0.25	0.34	0.100	0.15
Angola	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.05	0.04	-	0.01
Antigua and Barbuda	0.01	0.01	0.01	0.01	0.06	-	0.01	0.02	-	0.11	-	-	-
Argentina	0.66	0.65	0.79	0.65	0.58	1.05	0.65	0.07	0.82	0.51	0.50	0.444	0.67
Australia	1.57	1.56	1.88	1.55	1.66	2.11	1.54	3.96	1.65	0.71	3.37	1.607	-
Austria	0.74	0.73	0.88	0.73	0.56	0.53	0.73	0.26	0.70	0.14	1.86	0.757	0.75
Bahamas	0.02	0.02	0.02	0.02	0.06	0.11	0.02	0.13	0.02	2.65	0.16	-	0.02
Bahrain	0.02	0.02	0.02	0.02	0.06	0.11	0.02	0.13	0.03	0.04	-	-	0.02
Bangladesh	0.01	0.01	0.01	0.01	0.06	1.05	0.01	0.03	0.03	0.12	0.01	0.009	0.01
Barbados	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.02	0.17	-	0.01
Belgium	1.17	1.16	1.40	1.16	1.00	1.58	1.15	1.32	1.22	0.60	3.40	1.203	1.19
Belize	0.01	0.01	0.01	0.01	-	0.11	-	0.03	0.02	-	-	-	0.01
Benin	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.07	0.02	0.02	0.02	-	0.01
Bhutan	0.01	-	0.01	0.01	0.06	0.05	0.01	0.03	-	-	-	-	0.01
Bolivia	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.02	-	0.007	0.01
Botswana	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.13	0.02	-	-	-	0.01
Brazil	1.45	1.44	1.73	1.43	1.57	2.63	1.42	0.79	1.37	1.52	0.65	0.952	1.47
Brunei Darussalam	0.04	-	-	-	0.06	0.11	0.04	0.13	0.04	0.11	-	-	-
Bulgaria	0.15	0.15	0.18	0.15	0.13	0.32	0.15	0.26	0.22	0.37	0.48	0.101	0.15
Burkina Faso	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	-	0.02	-	0.01
Burundi	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	-	0.01	-	0.01
Byelorussian Soviet Socialist Republic	0.33	0.33	-	0.33	-	0.32	0.32	0.13	0.38	-	0.04	0.342	0.34
Cameroon	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.26	0.02	0.02	0.28	0.007	0.01
Canada	3.09	3.07	3.69	3.05	2.87	5.27	3.03	4.75	2.94	0.86	2.39	3.173	3.13
Cape Verde	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	0.02	-	-	0.01
Central African Republic	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	-	0.02	-	0.01
Chad	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.02	0.02	-	0.02	-	-
Chile	0.08	0.08	0.10	0.08	0.13	0.32	0.08	0.26	0.14	0.19	0.06	0.056	0.08
China	0.79	0.78	0.94	0.78	0.76	2.63	0.77	2.64	1.55	3.16	1.52	0.635	0.80
Colombia	0.14	0.14	0.17	0.14	0.22	0.32	0.14	0.26	0.17	0.14	0.06	0.095	0.14
Comoros	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.02	0.02	-	-	-	0.01
Congo	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.13	0.02	0.02	0.16	-	0.01
Cook Islands	-	-	0.01 h/	-	0.06	-	0.01	-	-	-	-	-	-
Costa Rica	0.02	0.02	0.02	0.02	0.06	0.11	0.02	0.07	0.04	0.02	0.06	0.014	0.02
Côte d'Ivoire	0.02	0.02	0.02	0.02	0.06	0.32	0.02	0.07	0.04	0.04	0.28	0.014	0.02
Cuba	0.09	0.09	0.11	0.09	0.11	0.32	0.09	0.13	0.14	0.26	0.10	0.061	0.09
Cyprus	0.02	0.02	0.02	0.02	0.06	0.11	0.02	0.07	0.03	4.14	0.16	0.014	0.02
Czechoslovakia	0.66	0.65	0.79	0.65	0.43	1.05	0.65	0.53	0.77	0.13	2.31	0.674	0.67
Democratic Kampuchea	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.13	0.02	0.02	-	0.007	-

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Table F (continued)

Members a/	United Nations b/	ILO	FAO c/	UNESCO d/	ICAO	UPU	WHO	ITU	WMO	IMO e/	WIPO	IAEA f/	UNIDO
Democratic People's Republic of Korea	0.05 g/	-	0.06 i/	0.05	0.06	1.05	0.05	0.07	0.06	0.11	0.10	0.034	0.05
Democratic Yemen 1/	-	-	0.01	0.01	0.06	0.05	0.01	-	0.02	0.02	0.01	-	0.01
Denmark	0.69	0.68	0.82	0.68	0.54	1.05	0.68	1.32	0.72	1.22	2.31	0.705	0.70
Djibouti	0.01	0.01	0.01	-	0.06	0.05	0.01	0.03	0.02	0.02	-	-	-
Dominica	0.01	0.01	0.01	0.01	-	0.11	0.01	-	0.02	0.02	-	-	0.01
Dominican Republic	0.03	0.03	0.04	0.03	0.06	0.11	0.03	0.13	0.05	0.02	0.30	0.020	0.03
Ecuador	0.03	0.03	0.04	0.03	0.07	0.11	0.03	0.13	0.05	0.12	0.04	0.020	0.03
Egypt	0.07	0.07	0.08	0.07	0.21	0.53	0.07	0.13	0.14	0.33	0.22	0.048	0.07
El Salvador	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.02	0.04	0.007	0.01
Equatorial Guinea	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	-	0.02	-	-	0.01
Ethiopia	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	0.04	-	0.007	0.01
Federated State of Micronesia		-	-	-	0.06	-	-	-	-	-	-	-	-
Fiji	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.04	0.06	-	0.01
Finland	0.51	0.51	0.61	0.50	0.43	1.05	0.50	1.32	0.50	0.30	2.31	0.518	0.52
France	6.25	6.21	7.47	6.18	5.45	5.27	6.13	7.92	5.91	1.37	5.77	6.419	6.33
French Overseas Territories	-	-	-	-	-	-	-	-	0.02	-	-	-	-
Gabon	0.03	0.03	0.04	0.03	0.06	0.11	0.03	0.13	0.03	0.02	0.16	0.031	0.03
Gambia	0.01	-	0.01	0.01	0.06	0.05	0.01	0.03	0.02	0.02	0.01	-	0.01
German Democratic Republic 1/	-	1.27	-	1.26	0.89	1.58	1.26	0.79	1.35	0.48	2.01	1.317	1.30
Germany, Federal Republic of 1/	9.36	8.02	9.65	7.99	6.42	5.27	7.93	7.92	7.41	1.27	5.66	8.295	8.18
Ghana	0.01	0.01	0.01	0.01	0.06	0.32	0.01	0.07	0.02	0.05	0.10	0.007	0.01
Greece	0.40	0.40	0.48	0.39	0.43	0.32	0.39	0.26	0.38	4.93	0.68	0.262	0.41
Grenada	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.03	-	-	-	-	0.01
Guatemala	0.02	0.02	0.02	0.02	0.06	0.32	0.02	0.07	0.04	0.02	0.04	0.014	0.02
Guinea	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	0.02	0.02	-	0.01
Guinea-Bissau	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	0.02	0.01	-	0.01
Guyana	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.02	-	-	0.01
Haiti	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	0.02	0.01	0.007	0.01
Holy See	0.01 g/	-	-	-	-	0.11	-	0.07	-	-	0.16	0.010	-
Honduras	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.18	0.04	-	0.01
Hong Kong	-	-	-	-	-	-	-	-	0.02	0.71 k/	-	-	-
Hungary	0.21	0.21	0.25	0.21	0.11	0.53	0.20	0.26	0.30	0.07	0.76	0.156	0.21
Iceland	0.03	0.03	0.04	0.03	0.07	0.11	0.03	0.07	0.05	0.07	0.16	0.031	-
India	0.37	0.37	0.44	0.36	0.54	2.63	0.36	1.32	0.67	1.52	0.58	0.270	0.38
Indonesia	0.15	0.15	0.18	0.15	0.43	1.05	0.15	0.26	0.26	0.52	0.30	0.103	0.15
Iran (Islamic Republic of)	0.69	0.68	0.82	0.68	0.80	0.53	0.68	0.26	0.56	1.16	0.30	0.456	0.70
Iraq	0.12	0.12	0.14	0.12	0.36	0.32	0.12	0.07	0.12	0.29	0.10	0.079	0.12
Ireland	0.18	0.18	0.21	0.18	0.18	0.53	0.18	0.53	0.20	0.09	2.31	0.187	0.18
Israel	0.21	0.21	0.25	0.21	0.36	0.32	0.20	0.26	0.24	0.17	0.68	0.218	0.21
Italy	3.99	3.96	4.77	3.94	3.56	2.63	3.91	5.28	3.36	1.95	3.46	4.096	4.04
Jamaica	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.04	0.02	0.04	0.007	0.01
Japan	11.38	11.30	13.59	11.25	10.45	5.27	11.17	7.92	8.53	7.07	5.00	11.676	11.52
Jordan	0.01	0.01	0.01	0.01	0.13	0.11	0.01	0.13	0.02	0.02	0.10	0.007	0.01
Kenya	0.01	0.01	0.01	0.01	0.06	0.32	0.01	0.07	0.02	0.02	0.30	0.007	0.01

Table F (continued)

Members a/	United Nations b/	ILO	FAO c/	UNESCO d/	ICAO	UPU	WHO	ITU	WMO	IMO e/	WIPO	IAEA f/	UNIDO
Kiribati	-	-	-	-	0.06	0.05	0.01	0.03	-	-	-	-	-
Kuwait	0.29	0.29	0.35	0.29	0.33	1.05	0.28	0.79	0.24	0.51	-	0.301	0.29
Lao People's Democratic Republic	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.02	0.02	-	-	-	0.01
Lebanon	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.07	0.02	0.11	0.29	0.007	0.01
Lesotho	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.02	0.02	-	0.02	-	0.01
Liberia	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	10.90	0.06	0.007	-
Libyan Arab Jamahiriya	0.28	0.28	0.33	0.28	0.24	0.53	0.27	0.26	0.22	0.28	0.48	0.290	0.28
Liechtenstein	0.01 g/	-	-	-	-	0.11	-	0.13	-	-	0.17	0.010	-
Luxembourg	0.06	0.06	0.07	0.06	0.06	0.32	0.06	0.13	0.07	-	0.23	0.062	0.06
Madagascar	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.04	0.28	0.007	0.01
Malawi	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	0.02	0.01	-	0.01
Malaysia	0.11	0.11	0.13	0.11	0.26	0.32	0.11	0.26	0.16	0.43	0.10	0.073	0.11
Maldives	0.01	-	0.01	0.01	0.06	0.11	0.01	0.03	0.02	0.05	-	-	0.01
Mali	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	-	0.02	0.007	0.01
Malta	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.78	0.16	-	0.01
Marshall Islands	-	-	-	-	0.06	-	-	-	-	-	-	-	-
Mauritania	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.02	0.02	-	0.01
Mauritius	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.05	0.16	0.007	0.01
Mexico	0.94	0.93	1.12	0.93	1.04	1.05	0.92	0.26	0.87	0.40	1.60	0.627	0.95
Monaco	0.01 g/	-	-	0.01	0.06	0.11	0.01	0.07	-	-	0.23	0.010	-
Mongolia	0.01	0.01	0.01	0.01	-	0.11	0.01	0.07	0.02	-	0.10	0.007	0.01
Morocco	0.04	0.04	0.05	0.04	0.09	0.53	0.04	0.26	0.08	0.13	0.51	0.027	0.04
Mozambique	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.02	0.02	0.02	-	-	0.01
Myanmar	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.03	0.02	0.16	-	0.007	-
Namibia	0.01 m/	0.01	0.01 h/	-	-	-	0.01	0.07	-	-	-	-	-
Nauru	0.01 g/	-	-	-	0.06	0.11	-	0.03	-	-	-	-	-
Nepal	0.01	0.01	0.01	0.01	0.06	0.32	0.01	0.03	0.02	0.02	-	-	0.01
Netherlands	1.65	1.64	1.97	1.63	1.78	1.58	1.62	2.11	1.57	0.97	3.46	1.690	1.67
Netherlands Antilles	-	-	-	-	-	0.11	-	-	0.02	-	-	-	-
New Caledonia	-	-	-	-	-	-	-	-	0.02	-	-	-	-
New Zealand	0.24	0.24	0.29	0.24	0.35	1.58	0.23	0.53	0.32	0.11	0.80	0.249	0.24
Nicaragua	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.02	0.04	0.007	0.01
Niger	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.03	0.02	-	0.02	0.007	0.01
Nigeria	0.20	0.20	0.24	0.20	0.26	1.05	0.20	0.53	0.21	0.17	0.30	0.133	0.20
Norway	0.55	0.55	0.66	0.54	0.47	1.05	0.54	1.32	0.55	3.63	2.31	0.560	0.56
Oman	0.02	-	0.02	0.02	0.07	0.11	0.02	0.13	0.03	0.02	-	-	0.02
Pakistan	0.06	0.06	0.07	0.06	0.24	1.58	0.06	0.53	0.10	0.14	0.18	0.043	0.06
Panama	0.02	0.02	0.02	0.02	0.06	0.11	0.02	0.13	0.04	10.78	0.04	0.014	0.02
Papua New Guinea	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.13	0.02	0.02	-	-	0.01
Paraguay	0.03	0.03	0.04	0.03	0.06	0.11	0.03	0.13	0.03	-	0.04	0.020	0.03
Peru	0.06	0.06	0.07	0.06	0.08	0.32	0.06	0.07	0.13	0.20	0.06	0.041	0.06
Philippines	0.09	0.09	0.11	0.09	0.26	0.11	0.09	0.26	0.18	2.18	0.48	0.063	0.09
Poland	0.56	0.56	0.67	0.55	0.37	0.53	0.55	0.26	0.82	0.86	0.68	0.433	0.57
Portugal	0.18	0.18	0.21	0.18	0.22	0.53	0.18	0.26	0.20	0.22	1.97	0.121	0.18
Qatar	0.05	0.05	0.06	0.05	0.07	0.53	0.05	0.13	0.05	0.09	0.13	0.052	0.05
Republic of Korea	0.22 g/	-	0.26 i/	0.22	0.78	1.05	0.21	1.32	0.19	1.83	0.30	0.146	0.22
Romania	0.19	0.19	0.23	0.19	0.25	0.32	0.19	0.13	0.25	0.91	0.48	0.131	0.19

Table F (continued)

Members a/	United Nations b/	ILO	FAO c/	UNESCO d/	ICAO	UPU	WHO	ITU	WMO	IMO e/	WIPO	IAEA f/	UNIDO
Rwanda	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	-	0.02	-	0.01
Saint Kitts and Nevis	0.01	-	0.01	0.01	-	0.11	0.01	-	-	-	-	-	0.01
Saint Lucia	0.01	0.01	0.01	0.01	0.06	0.11	0.01	-	0.02	0.02	-	-	0.01
Saint Vincent and the Grenadines	0.01	-	0.01	0.01	0.06	0.11	0.01	0.02	-	0.36	-	-	0.01
Samoa	0.01	-	0.01	0.01	-	0.05	0.01	0.02	-	-	-	-	-
San Marino	0.01 g/	0.01	-	0.01	0.06	0.11	0.01	0.07	-	-	0.30	-	-
Sao Tome and Principe	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	-	-	-	0.01
Saudi Arabia	1.02	1.01	1.22	1.01	1.15	2.63	1.00	2.64	0.74	0.62	0.44	1.047	1.03
Senegal	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.26	0.02	0.04	0.28	0.007	0.01
Seychelles	0.01	0.01	0.01	0.01	0.06	0.11	0.01	-	0.02	0.02	-	-	0.01
Sierra Leone	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	0.02	0.01	0.007	0.01
Singapore	0.11	0.11	-	-	0.69	0.11	0.11	0.26	0.10	1.70	-	0.073	-
Solomon Islands	0.01	0.01	0.01	-	0.06	0.11	0.01	0.03	0.02	0.02	-	-	-
Somalia	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	0.02	0.01	-	0.01
South Africa	0.45	-	-	-	0.50	-	0.44	0.26	0.52 j/	-	1.60	0.299	-
Spain	1.95	1.94	2.33	1.93	1.71	2.63	1.91	2.11	1.79	1.04	2.89	2.001	1.98
Sri Lanka	0.01	0.01	0.01	0.01	0.06	0.53	0.01	0.13	0.02	0.09	0.16	0.007	0.01
Sudan	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.02	0.02	0.05	0.01	0.007	0.01
Suriname	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.07	0.02	0.02	0.23	-	0.01
Swaziland	0.01	0.01	0.01	0.01	0.06	0.11	0.01	0.03	0.02	-	0.04	-	0.01
Sweden	1.21	1.20	1.45	1.20	0.91	1.58	1.19	2.64	1.29	0.63	3.46	1.244	1.23
Switzerland	1.08 g/	1.07	1.29 i/	1.07	1.17	1.58	1.06	2.64	1.12	0.19	3.46	1.110	1.09
Syrian Arab Republic	0.04	0.04	0.05	0.04	0.11	0.11	0.04	0.13	0.07	0.04	0.30	0.027	0.04
Thailand	0.10	0.10	0.12	0.10	0.37	0.32	0.10	0.40	0.15	0.18	0.06	0.068	0.10
Togo	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.02	0.02	0.02	0.02	-	0.01
Tonga	0.01 g/	-	0.01 i/	0.01	0.06	0.11	0.01	0.02	-	-	-	-	0.01
Trinidad and Tobago	0.05	0.05	0.06	0.05	0.11	0.11	0.05	0.13	0.05	0.02	0.16	-	0.05
Tunisia	0.03	0.03	0.04	0.03	0.06	0.53	0.03	0.13	0.05	0.09	0.17	0.020	0.03
Turkey	0.32	0.32	0.38	0.32	0.28	0.53	0.31	0.26	0.38	0.82	0.48	0.216	0.32
Tuvalu	0.01 c/	-	-	-	-	0.05	-	-	-	-	-	-	-
Uganda	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.02	0.02	-	0.01	0.007	0.01
Ukrainian Soviet Socialist Republic	1.25	1.24	-	1.23	-	1.05	1.23	0.13	1.36	-	0.04	1.286	1.27
Union of Soviet Socialist Republics	09.99	9.92	-	9.87	7.81	2.63	9.80	7.92	10.23	6.24	4.31	10.255	10.12
United Arab Emirates	0.19	0.19	0.23	0.19	0.23	0.11	0.19	0.26	0.17	0.24	0.13	0.197	0.19
United Kingdom of Great Britain and Northern Ireland	4.86	4.83	5.80	-	5.15	5.27	4.77	3.96	4.97	3.58	5.66	4.988	4.92
United Kingdom Overseas Territories	-	-	-	-	-	0.53	-	-	0.02 k/	-	-	-	-
United Republic of Tanzania	0.01	0.01	0.01	0.01	0.06	0.05	0.01	0.03	0.02	0.02	0.01	0.007	0.01

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Table F (concluded)

Members a/	United Nations b/	ILO	FAO c/	UNESCO d/	ICAO	UPU	WHO	ITU	WMO	IMO e/	WIPO	IAEA f/	UNIDO
United States of America	25.00	25.00	25.00	-	25.00	5.27	25.00	7.92	24.65	5.38	5.66	25.923	25.00
Uruguay	0.04	0.04	0.05	0.04	0.06	0.32	0.04	0.13	0.08	0.05	0.16	0.027	0.04
Vanuatu	0.01	-	0.01	-	0.06	0.11	0.01	0.03	0.02	0.23	-	-	0.01
Venezuela	0.57	0.57	0.68	0.56	0.49	0.11	0.56	0.40	0.57	0.34	0.06	0.373	0.58
Viet Nam	0.01	-	0.01	0.01	0.06	0.11	0.01	0.13	0.02	0.11	0.10	0.008	0.01
Yemen l/	0.02	0.02	0.01	0.01	0.06	0.05	0.01	0.07	0.02	0.07	0.01	-	0.01
Yugoslavia	0.46	0.46	0.55	0.45	0.54	0.53	0.45	0.26	0.47	0.93	0.52	0.302	0.47
Zaire	0.01	0.01	0.01	0.01	0.06	0.32	0.01	0.13	0.02	0.04	0.48	0.007	0.01
Zambia	0.01	0.01	0.01	0.01	0.06	0.32	0.01	0.07	0.02	-	0.10	0.007	0.01
Zimbabwe	0.02	0.02	0.02	0.02	0.06	0.32	0.02	0.13	0.03	-	0.16	0.014	0.02

a/ A dash (-) opposite the name of a member indicates that it is not a member of the organization in question or that its assessment has not been determined.

b/ As approved in General Assembly resolution 43/223 of 21 December 1988.

c/ Derived directly from the United Nations scale of assessments for 1989-1991 as adopted by the General Assembly in its resolution 43/223.

d/ The rates of assessment for UNESCO are not percentages but portions of a scale adding up to 70.09.

e/ Assessments for 1990.

f/ Due to special principles of assessment applicable to the safeguards component of the regular budget, the final scale is expressed in three digits.

g/ Not a Member of the United Nations; the rate of assessment is applied for those activities of the United Nations in which the non-Member State participates.

h/ The Secretariat of the United Nations Committee on Contributions advised that the "theoretical probable" rate of this member would be the minimum rate, i.e., 0.01 per cent.

i/ The contribution rates of these members, which are not members of the United Nations, are derived from the percentage rates at which they contribute to certain United Nations activities.

j/ Suspended by resolution 38 (Cg-VII) from exercising its rights and enjoying its privileges as a member of WMO.

k/ Associate Member.

l/ The separate listings of Democratic Yemen and Yemen, as well as those for the German Democratic Republic and the Federal Republic of Germany have been maintained for this report, since submissions in some instances still reflected separate assessments. The figure under the United Nations for the Federal Republic of Germany represents the combined rates of assessments previously listed under the German Democratic Republic and the Federal Republic of Germany. Similarly, the rate for Yemen under the United Nations represents the combined rates previously shown under Democratic Yemen and Yemen.

m/ Proposed.

Table G. Collection of contributions, 1989-1990

Organization	Percentage of current year's contributions collected at 30 June		Percentage of current year's contributions collected at 30 September		Total of all contributions outstanding at 30 September (regardless of year of account) (in thousands of United States dollars)	
	1989	1990	1989	1990	1989	1990
ILO	54.75	58.67	64.20	65.60	114 524	144 243 a/
FAO	45.82	46.19	62.73	52.70	185 645	270 563
UNESCO	56.80	56.80	88.08	59.53	38 621	92 314
ICAO	37.3	48.5	64.78	52.2	16 770	20 717
UPU	89.39	89.54	90.17	90.45	4 852.1	4 707
WHO	36.74	40.88	56.15	65.23	162 778	146 690
ITU	92.94	92.80	94.23	93.90	18 597	19 207
WMO	63.05	57.51	63.95	66.21	16 398.6	17 688.5 a/
IMO	54.01	49.69	68.14	55.27	8 654.3	13 496.3 b/
WIPO	69.61	75.38	81.7	82.32	8 394	9 014 c/
IAEA	46.31	43.34	69.41	60.24	52 354 d/	74 952 e/
United Nations	48.01	52.07	64.57	64.30	609 635	641 017
UNIDO	37.18	45.35	60.92	63.28	46 591	57 280 e/

a/ At September 1990 rate of exchange of $US 1 = 1.30 SwF.

b/ At September 1990 rate of exchange of $US 1 = £.520.

c/ At December 1989 rate of exchange of $US 1 = 1.61 SwF.

d/ At rate of exchange of $US 1 = S 10.90.

e/ At rate of exchange of $US 1 = S 13.80.

III. COMMENTS ON THE BUDGETS OF THE SPECIALIZED AGENCIES AND THE INTERNATIONAL ATOMIC ENERGY AGENCY

A. International Labour Organisation

		$
Effective working budget (parts I to IV)	1990-1991	330 440 000
	1988-1989	356 987 331

15. The Advisory Committee discussed the programme and budget of ILO with representatives of the Director-General of that organization.

Appropriations for 1988-1989

16. The ILO programme and budget for 1988-1989 as approved by the ILO Conference in June 1987 amounted to $324,860,000. This level was adjusted at the June 1988 session of the International Labour Conference which, owing to the continuing depreciation of the United States dollar against the Swiss franc, approved the addition of $26,000,000 under part IV (Effects of exchange rate adjustments) of the budgets of income and expenditure, thereby modifying the budget rate of exchange for the biennium from 1.60 to 1.43 Swiss francs to the United States dollar. It further approved programme reductions of $1.9 million, and reduced the amount due to be added to part III (Working Capital Fund) to cover withdrawals made to finance the excess of budgetary expenditure over budgetary income in 1986-1987 from $25 million to $8 million. The final approved budget of $357,023,033 was distributed as follows:

		$
Part I	Ordinary budget	322 052 704
Part II	Unforeseen expenditure	875 000
Part III	Working Capital Fund	8 059 627
Part IV	Effects of exchange rate adjustments	26 000 000
	Effective working budget	356 987 331
Part V	Undistributed Reserve	35 702
	Total	357 023 033

17. In November 1988, the Governing Body endorsed a reduction in expenditure of $12.7 million in anticipation of a potential shortfall in budgetary income in 1988-1989. During the financial period, additional expenditure items totalling $3.3 million were approved by the Governing Body. As there were sufficient savings in part I of the budget to cover all additional expenditure authorized, it was not necessary to have recourse to authority given under part II (Unforeseen expenditure) of the budget.

Actual expenditure

18. Actual expenditure under part I of the budget in 1988-1989 totalled $300,958,216, which was $21,094,488 less than the approved budget level. This underexpenditure was due largely to the measures taken by the Director-General to realize the reduced expenditure mentioned above. Total expenditure on all parts of the budget was some $41 million lower than budgeted. This further underexpenditure arose because of the unexpected rise in value of the United States dollar against the Swiss franc - which in the event averaged for the biennium 1.54 Swiss francs, against the revised budget rate of 1.43 Swiss francs.

Actual income collected and cash deficit

19. Budgetary income during the biennium totalled $313,981,799, including $24,020,640 of arrears of assessed contributions for previous financial periods. Total budgetary income fell short of 1988-1989 budgetary expenditure, totalling $316,143,023 for all parts of the budget, by $2,161,224. The resulting cash deficit was financed by a withdrawal from the Working Capital Fund.

Appropriations for 1990-1991

20. The ILO programme and budget for 1990-1991 as approved by the ILO Conference in June 1989 amounted to $330,440,000, distributed as follows:

		$
Part I	Ordinary budget	329 565 000
Part II	Unforeseen expenditure	875 000
Part III	Working Capital Fund	-
Part IV	Effects of exchange rate adjustments	-
	Total	330 440 000

21. In nominal terms, the level of the budget in 1990-1991 is $26,583,033 lower than that approved for 1988-1989, having been based on a budget exchange rate of 1.75 Swiss francs to the United States dollar. The Committee was informed of the effect of the introduction, as from 1 January 1990, of the budgetary system of Swiss franc assessments combined with forward purchasing of dollar requirements for the biennium. The Committee also noted information on the incentive scheme for prompt payment of contributions introduced, for a two-year trial period, on 1 January 1989.

Working Capital Fund

22. The nominal level of the Working Capital Fund was $25.6 million at 31 December 1989. The cash level, however, stood at $23.4 million because of a withdrawal of $2.2 million in respect of the cash deficit for the 1988-1989 biennium mentioned in paragraph 20 above.

Technical co-operation

23. Regular budget technical co-operation funds for 1990-1991 are $28,080,000, compared with $27,000,000 in 1988-1989. This represents an increase of 3.7 per cent and is designed to respond to the ever-increasing demands for operational activities by the tripartite constituents of member States.

24. Expenditure on UNDP-funded projects in 1988-1989 was $135.6 million (including programme support costs), an increase of some 21.4 per cent over the previous biennium.

B. Food and Agriculture Organization of the United Nations

	$
Total effective working budget for 1990-1991	568 800 000 a/
Total effective working budget for 1988-1989	492 360 000 b/
Increase	76 440 000

a/ At Lit 1,235 to $1.

b/ At Lit 1,335 to $1.

25. The Advisory Committee discussed the programme and budget of FAO with the representative of the Director-General of that organization.

26. Faced with continuing grave problems of delays in contributions and mounting arrears, the FAO budget has been subject to forced programme reductions. The total effective working budget for 1988-1989, as approved by the FAO Conference, amounted to $US 492,360,000. However, in view of the problems of delays in contributions, the Director-General was obliged to propose and the FAO Council, in November 1988, agreed to programme cuts amounting to $US 20 million. The Director-General also achieved the coverage of increased and unbudgeted staff costs amounting to $US 25 million for the biennium.

27. These measures have had a serious impact on the capacity of the Organization to deliver the approved programme of work. Over 200 posts had to be kept frozen, programmed meetings and publications had to be cancelled and assistance to Governments curtailed.

28. At its twenty-fifth session, in November 1989, the FAO Conference approved the budget for 1990-1991 in the amount of $568,800,000. In the following tables, the 1990-1991 regular programme budget is compared with the approved budget for 1988-1989:

	1990-1991 approved budget	1988-1989 approved budget	Increase 1990-1991 over 1988-1990	Percentage increase
	(Thousands of United States dollars)			
1. General policy and direction	40 605	34 205	6 400	18.7
2. Technical and economic programmes	273 869	233 466	40 403	17.3
3. Development support programmes	88 469	77 077	11 392	14.8
4. Technical co-operation programme	67 767	63 148	4 619	7.3
5. Support services	79 654	67 559	12 095	17.9
6. Common services	17 836	16 305	1 531	9.4
7. Contingencies	600	600	-	-
Total	568 800 a/	492 360 b/	76 440	15.5

a/ At Lit 1,335 to $1.

b/ At Lit 1,235 to $1.

29. The breakdown of the increase in the approved budget for 1990-1991 over the approved budget for 1988-1989 in terms of cost and programme increases is as follows:

		$
1.	1988-1989 approved budget a/	492 360 000
2.	Cost increase b/	70 690 000
		563 050 000
3.	Programme increase a/	5 500 000
4.	Cost increase on 3 above	250 000
5.	1990-1991 approved budget c/	568 800 000

a/ At Lit 1,235 to $1.

b/ After a net deduction of $5,660,000 covering both revaluation to Lit 1,335 to $1 and the change in lapse factor from 5.5 to 3 per cent.

c/ At Lit 1,335 to $1.

30. The programme changes in the approved budget, excluding costs increases, are shown in the table below:

		1990-1991 approved budget a/	1988-1989 approved budget	Programme change (decrease)	Percentage increase (decrease)
		(Thousands of United States dollars)			
1.	General policy and direction				
1.1	Governing bodies	13 157	13 157	0	-
1.2	Policy, direction and planning	9 945	9 639	306	3.2
1.3	Legal	3 687	3 687	0	-
1.4	Liaison	7 416	7 722	(306)	(4.0)
	Total, chapter I	34 205	34 205	0	-
2.	Technical and economic programmes				
2.1	Agriculture	184 042	181 746	2 296	1.3
2.2	Fisheries	31 317	30 725	592	1.9
2.3	Forestry	21 643	20 995	648	3.1
	Total, chapter II	237 002	233 466	3 536	1.5
3.	Development support programmes				
3.1	Field programme planning and liaison	5 766	5 766	0	-
3.2	Investment	20 690	21 118	(428)	(2.0)
3.3	Special programmes	1 722	1 722	0	-
3.4	FAO representatives	48 079	47 651	428	0.9
3.9	Programme management	820	820	0	-
	Total, chapter III	77 077	77 077	0	-
4.	Technical co-operation programme	64 898	63 148	1 750	2.8
5.	Support services				
5.1	Information and documentation	18 796	18 762	34	0.2
5.2	Administration	46 950	46 770	180	0.4
5.9	Programme management	2 027	2 027	0	-
	Total, chapter V	67 773	67 559	214	0.3
6.	Common services	16 305	16 305	0	-
7.	Contingencies	600	600	0	-
	Grand total	497 860	492 360	5 500	1.1

a/ At 1988-1989 costs.

/...

31. The approved regular programme establishment of FAO for 1990-1991 is 2,375 posts (984 Professional and above, and 1,391 General Service). Compared with the establishment for 1988-1989 reported in document A/43/760, this shows a net reduction of 16 posts (consisting of 20 additional Professional and above, and a reduction of 36 General Service).

32. Miscellaneous income in 1990-1991 is estimated at $12,000,000, of which $5,090,000 is expected to accrue from interest on bank accounts of the regular budget.

Extrabudgetary resources

33. It is estimated that expenditure from extrabudgetary resources in 1990-1991 will total some $775 million, or 57 per cent of total funds (61 per cent in 1988-1989).

34. UNDP continues to be the major single source of extrabudgetary funds, although the proportion of the total FAO field programme accounted for by UNDP has declined signficantly in comparison to the level a decade ago.

35. There has been a steady increase in trust fund delivery, which reached a level of slightly above $166 million in 1989. Taking into account the level of recent approvals and expected contributions from various funding sources, the trend of growth is expected to continue.

36. As of 1 January 1989, FAO had a total of 1,215 posts financed from sources other than the regular budget. A summary by category and source of funding is given in the following table:

	Professional and above	General Service	Total
UNDP	117	299	416
Trust funds	100	240	340
World Food Programme	33	62	95
Other funds	118	246	364
	368	847	1 215

37. This represents a net decline of 254 posts, or 17 per cent less, than at 1 January 1987. These reductions in staff have been necessary because of the protracted period over which any minor increases in support cost income were not sufficient to offset significant increases in staff costs.

C. United Nations Educational, Scientific and Cultural Organization

	$
Approved budget for 1990-1991	378 788 000 a/
Approved budget for 1988-1989	350 386 000 b/
Increase	28 402 000
	8.1 per cent

a/ At F 6.40 = $US 1.

b/ At F 6.04 = $US 1.

38. The Advisory Committee discussed the UNESCO approved programme and budget for 1990-1991 with the representatives of the organization.

Appropriations for 1988-1989

39. The twenty-fourth General Conference of UNESCO approved a budget for 1988-1989 in the amount of $350,386,000, which was subsequently increased to $350,829,344 by donations and special contributions. This budget did not include provision for mandatory expenditure of $8,516,200, which was financed by across-the-board reductions in programmes. The expenditure at the end of the biennium amounted to $348,375,065, leaving a surplus of $2,454,279. Of this amount, $1,743,811 was due to currency fluctuation registered under part VIII of the budget and $710,468 due to austerity measures employed to offset a shortfall in the original estimate of miscellaneous income used to finance in part the regular budget. In accordance with the appropriation resolution, these amounts will be credited to miscellaneous income.

Appropriations for 1990-1991

40. The budget for 1990-1991 was adopted by the General Conference at its twenty-fifth session and constitutes the first phase of the Organization's third medium-term plan for 1990-1995. The budget reflects zero real growth with respect to the 1988-1989 recosted budget base. The nominal increase of $28,402,000 is due to recosting for changes in price level during 1988-1989 ($14,417,800) and adjustments for anticipated costs increases and currency fluctuation in 1990-1991 ($13,984,200). 4/ The budget is broken down by principal part as follows:

Part		Amount $	Percentage
I	General policy and direction	28 756 700	7.6
II	Programme operations and services	234 182 500	61.8
III	Programme supporting services	32 318 300	8.5
IV	General administrative services	27 969 900	7.4
V	Common services	26 456 500	7.0
VI	Capital expenditure	1 408 900	0.4
	Subtotal, parts I to VI	351 092 800	92.7
VII	Anticipated cost increases	25 928 200	6.8
VIII	Currency adjustment	1 767 000	0.5
	Total, parts I to VIII	378 788 000	100.0

41. As it did in the case of the budget for 1988-1989, in adopting the budget for 1990-1991, the General Conference decided that certain obligatory expenditure should be absorbed within the limits of the approved total appropriation. This expenditure, which amounts to $9,116,000, will be financed by reductions in programme activities and concern the following:

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Amortization of the Account for End-of-Service Grants and Indemnities - second of three instalments	4 025 000
Repayment to the Working Capital Fund of unamortized construction costs - second of three instalments	3 191 000
Mandatory increase in the Organization's contribution to the Medical Benefits Fund for associate participants	300 000
Additional funds required to keep the Medical Benefits Fund operational in 1990-1991	1 600 000
Total	9 116 000

42. Part II of the budget consists of seven major programme areas and transverse programmes and ancillary services. It comprises the substance of the programme of UNESCO in the domains of education, science, culture and communication. The Director-General had proposed budgetary reinforcement of $8.2 million exclusively for priority programmes in this part of the budget. However, his proposal, while having been accepted in principle by the Executive Board, was not approved by the General Conference. On the other hand, while the same level of programme and services was maintained, the General Conference approved the Director-General's proposal for a shift in resources of some $4.1 million from the planned activities to the Participation Programme, which, with a total provision of $14.6 million, constitutes a sort of micro technical co-operation programme within the regular budget. The greater emphasis in this modality of execution is aimed at enhancing programme flexibility and responding to the ever-increasing demands for direct assistance by member States.

43. For 1990-1991, the regular budget provides for 2,073 established posts at headquarters and in the field (a reduction of nine posts vis-à-vis 1988-1989), including 861 posts at the Professional and higher levels. The staff costs amount to $206,408,400, which was arrived at after applying a uniform staff turnover rate of 5 per cent. In overall terms, the proportion of staff costs (58.8 per cent) to programme costs (41.2 per cent) for parts I to VI is about the same as in the previous biennium. For the next financial period, however, even with a modest growth in programme, the proportion of staff costs to programme costs is expected to increase substantially, due to recent decisions by the International Civil Service Commission (ICSC) and the United Nations General Assembly affecting salaries in all categories.

44. The budget for 1990-1991, as in the previous biennium, contains a provision (part VII) to cover anticipated cost increases during the course of the financial period. This provision may be used by the Director-General, with the approval of the Executive Board, for the purpose of meeting inflation and statutory increases in staff costs and in the costs of goods and services. For 1990-1991, this provision amounts to $25,928,200 and includes notably an amount of $7.5 million to cover increases in General Service salaries at headquarters, arising from a new salary scale recommended by ICSC, and $6.4 million for the increase in salaries of staff in the Professional category and above approved by the General Assembly at its forty-fourth session.

Working Capital Fund

45. The nominal level of the Working Capital Fund has remained the same in 1990-1991 as in 1988-1989, that is, at $15 million. The cash level, which had seriously declined due to the exceptional need to finance loans for the construction of headquarters premises, is expected to improve considerably as the second of three instalments of $4,025,000 is repaid to the Fund in 1990.

Assessments on member States

46. In accordance with a decision of the General Conference, member States' contributions will be assessed in 1990-1991 in two currencies (60 per cent in French francs and 40 per cent in United States dollars), that is, in accordance

with the split-level method of assessment introduced for the first time in 1988-1989 on a trial basis to protect the member States and the Organization alike from the uncertainties resulting from currency fluctuation. The Executive Board was requested by the General Conference to study further during 1990-1991 the procedures for protecting the regular budget of the Organization from adverse fluctuation of the French franc rate of exchange, notably the advantages and disadvantages of a split-level assessment system compared to a forward purchasing system and to submit proposals thereon to the General Conference at its twenty-sixth session.

Extrabudgetary funds

47. The approved programme and budget for 1990-1991 includes an estimated expenditure from extrabudgetary funds of $216.5 million, of which $70 million relate to UNDP, $38 million to the United Nations Population Fund (UNFPA) and other United Nations sources and $108.5 million to Funds-in-Trust and other programmes. UNDP will, therefore, continue to be the major single source of extrabudgetary funds, despite the decline of some $6 million vis-à-vis the estimate for 1988-1989.

D. International Civil Aviation Organization

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Appropriations for 1990	36 726 000
Appropriations for 1989	33 701 000
Increase	3 025 000
	9.0 per cent

48. The Advisory Committee discussed the ICAO approved programme and budget for 1990-1991 with the representatives of the Organization.

49. ICAO has a triennial budget. Every three years, its Assembly approves appropriations for each year of the succeeding triennium. The budget estimates, prepared by the Secretary-General on the basis of the expected programme of work approved by the Council of ICAO, are submitted for consideration by the Council. Subsequently, the Council's budget estimates are submitted to the Assembly. The budget estimates for the financial years 1990, 1991 and 1992 were approved by the Assembly at its twenty-seventh session, held in September and October 1989.

Appropriations for 1990-1991-1992

50. The budget estimates for the financial years 1990-1991-1992 total $115,532,000 for the triennium, as against $96,622,000 for the previous triennium, that is, an increase of $18,910,000, or 19.6 per cent. The appropriations for 1990 and 1991, by parts of the budget, are as follows:

Table A. Summary of appropriations

(United States dollars)

Parts of the budget		1990 Appropriations	1991 Appropriations
I.	Meetings	444 000	400 000
II.	The secretariat		
	Salaries, wages and other pay items	21 081 000	21 371 000
	Common staff costs	8 272 000	8 352 000
	Reduction for vacancy factor	(2 859 000)	(2 750 000)
III.	General services		
	Hospitality	20 400	20 400
	Communications services	1 159 000	1 162 000
	Rental and maintenance of premises and equipment	2 797 000	2 851 000
	Internal and external printing	424 000	424 000
	Travel on official business	638 000	638 000
	Audio-visual training programme	86 000	86 000
	Miscellaneous supplies and services	1 119 600	1 119 600
IV.	Equipment	934 000	803 000
V.	Other budgetary provisions	185 000	185 000
VI.	Contingencies	2 425 000	3 801 000
	Total, parts I to VI	36 726 000	38 463 000

51. The approved level of posts in the establishment of ICAO budgeted for the triennium 1990-1991-1992 was reduced by 15 posts from the previous level of 694 posts. The establishment provides for 679 posts, including 301 posts at the Professional and higher levels. The adjusted provision of staff costs was arrived at after applying a vacancy factor of 13 per cent in 1990, 12 per cent in 1991 and 11 per cent in 1992 for the approved establishment in the Professional category and 6.0 per cent for each of the years 1990, 1991 and 1992 in the General Service category.

52. The appropriations for parts I to V are based on salary, allowance and price levels in effect at the time of preparation of the budgets in early 1989. Further cost increases likely to occur during the triennium are provided for in part VI - Contingencies. This provision is designed to cover the four-year period 1989-1992. The 1990 and 1991 expenditures are to be financed as follows:

	1990	1991
By assessment on contracting States on the scale of assessment	33 810 000	35 510 000
By miscellaneous income	2 916 000	2 953 000
Total	36 726 000	38 463 000

Working Capital Fund

53. The twenty-seventh session of the Assembly increased the level of the Working Capital Fund from $2.2 million to the current level of $4.2 million for the 1990-1991-1992 triennium. This increase was funded by the disposition of $2 million in surplus funds as credits towards assessed advances to the Working Capital Fund.

External borrowing

54. Under the provision of ICAO Assembly resolution A27-25, the Secretary-General is authorized to borrow externally an amount not exceeding $1.0 million. This authorization has never been used, but would represent a possibility if the Organization's cash resources were depleted due to further delays or withholdings of payments of assessments by a number of Contracting States.

Disposition of realized surplus

55. At 31 December 1988, the amount of realized surplux was $8,837,608. The ICAO Assembly decided the disposition of $8,837,608 as follows:

(a) $2 million on 1 January 1990 as credits towards assessed advances to the Working Capital Fund;

(b) $6,167,608 as credits to contracting States ($3,167,608 on 1 January 1990, $2 million on 1 January 1991 and $1 million on 1 January 1992);

(c) $670,000 on 1 January 1990 as credits under the incentive scheme for early payments.

Administrative and operational services costs of technical assistance

56. In 1989, the total field programme expenditures relating to technical assistance activities financed by extrabudgetary funds amounted to $55,130,383, as compared with $55,965,646 the year before. The estimate for 1990 is $61,000,000, approximately 70 per cent of which is funded by UNDP. The funds which finance these technical assistance programmes (UNDP, trust funds and other funds) are kept

separate from funds provided by the regular budget. The regular budget is fully reimbursed for all identifiable services rendered by the regular programme to extrabudgetary activities. The net administrative and operational services costs of these activities amounted to $8,815,639 for 1989. For 1990, the indicative estimate is $9,483,400. The estimates are based on a total of 208 posts, consisting of 70 at the Professional level and 138 at the General Service level.

Other significant matters

57. During its twenty-seventh session, the ICAO Assembly noted the progress that had been made in the transformation of the presentation of the ICAO budget from the traditional "Object of expenditure" budget to a "Programme budget" and noted that certain modifications could be required to the Financial Regulations, financial statements and internal financial and accounting procedures. The Assembly also noted that for the triennium 1993-1994-1995, a single programme budget document would be submitted to it at its next ordinary session.

Budgetary difficulties experienced in 1990

58. In October 1989, the twenty-seventh session of the ICAO Assembly approved the triennial budget of the Organization for the years 1990-1991-1992 in the total amount of $115,532,000. The approved appropriations were based on certain economic parameters, in particular with regard to currency exchange rates and inflation rates.

59. In early 1990, it became apparent that the assumptions with respect to the economic parameters that were used to calculate the budget were no longer valid. In addition, there were increases in salary and other allowances resulting from United Nations General Assembly resolutions, as well as an increase in the rent of the headquarters premises, which was higher than expected.

60. Upon examination of the budgetary situation of the Organization, the ICAO Council agreed that the Organization was facing an exceptionally critical budgetary situation for 1990, which would continue into 1991 and 1992.

61. Following a detailed examination by the Finance Committee of the Council of the budgetary situation, it became evident that supplementary appropriations were absolutely unavoidable to maintain ICAO's ability to meet basic financial obligations in the last few months of 1990 and to maintain the essential parts of the work programme submitted to the twenty-seventh session of the Assembly. Therefore, the Council decided to recommend to the twenty-eighth session (extraordinary) of the Assembly (scheduled to be held 22 to 27 October 1990 in Montreal) the approval of supplementary appropriations for the current triennium. The recosted estimates only reflect changes in external economic factors and are based on the work programme noted by the twenty-seventh session of the Assembly.

62. In terms of total appropriations, the estimates represent the following percentage changes:

	Original appropriation $	New estimates $	Percentage of increase of the estimates over original appropriation for new year
1990	36 726 000	39 393 000	7.3
1991	38 463 000	43 917 000	14.2
1992	40 343 000	47 006 000	16.5

63. The above increase for 1990 is to be funded in part by the distribution of $2,096,894 of realized surplus of the Organization as credits to contracting States.

E. Universal Postal Union

	Swiss francs	United States dollars a/
Net amount of 1991 budget	26 163 930	16 250 888
Net amount of 1990 budget	24 389 550	15 148 789
Increase	1 774 380	1 102 099
		+7.3 per cent

a/ The UPU budget is drawn up in Swiss francs and all the amounts in United States dollars are converted at the rate of 1.61 Swiss francs to the United States dollar.

64. The Advisory Committee discussed the UPU budgets for 1990 and 1991 and other issues with the Deputy Director-General of that organization.

Expenditure limit

65. The amount of the budget must remain within the limits of a financial ceiling which the Universal Postal Congress in Washington, D.C. set in 1989 for each year in the five-year period from 1991 to 1995.

Brief analysis of the 1990-1991 budgets

66. The UPU budget is drawn up for one year and made out in Swiss francs, the Union's currency of account. It is drawn up by the Executive Council at its meeting preceding the financial year concerned. For instance, the 1990 budget was approved in April 1989, while the 1991 budget was drawn up in May 1990.

67. The expenditure provided for in 1990 and 1991 is apportioned as follows among the expenditure categories:

	Budget 1990		Budget 1991	
	SwF	$US	SwF	$US
Staff expenditure	20 457 400	12 706 460	21 831 300	13 559 814
General expenditure	5 138 800	3 191 801	5 654 000	3 511 801
Special activities	636 000	395 031	1 149 000	713 665
Total gross expenditure	26 232 200	16 293 292	28 634 300	17 785 280
less receipts	1 842 650	1 144 503	2 470 370	1 534 392
Net expenditure	24 389 550	15 148 789	26 163 930	16 250 888

68. The amounts in the 1991 budget show the following percentage variations compared with the budget forecasts of the preceding financial year.

	Actual increase	Inflation	Total
Staff expenditure	2.0	4.7	6.7
General expenditure	6.5	3.5	10.0
Special activities	80.7	0.0	80.7
Total gross expenditure	4.8	4.3	9.1
Receipts	31.8	2.3	34.1
Net expenditure	2.8	4.5	7.3

69. It should be stressed that UPU has made considerable efforts to reduce drastically recurrent expenditure in order to implement, from 1989, a General Action Plan (special activities) aimed at improving the quality of the international postal service by helping postal administrations to combat competition. For that purpose, the Congress and the Executive Council authorized the creation of a Professional-level post and a General Service-level post in 1990, and then a Professional post and two General Service posts in 1991, allocating the operational credits given in the new chapter entitled "Special activities".

70. The following receipts are provided for in the biennium 1990-1991:

	Budget 1990		Budget 1991	
	SwF	$US	SwF	$US
Support costs reimbursed by UNDP	764 100	474 596	757 400	470 435
Sale of publications	314 000	195 031	873 000	542 236
Rental of premises	473 000	293 789	489 000	303 727
Other receipts	291 550	181 087	350 970	217 994
Total	1 842 650	1 144 503	2 470 370	1 534 392

Proceeds from publications will be particularly high in 1991 because of the sale that year of the Acts of the twentieth Universal Postal Congress (Washington, D.C., 1989) and of several other publications appearing in new editions after Congress.

Working capital/Reserve Fund

71. The Union does not have working capital, since member countries have to pay their contributions not later than 1 January of the current financial year. The contributions are calculated on the basis of the budget drawn up by the Executive Council in the spring of the previous year and billed in early summer.

72. However, UPU has a Reserve Fund, maintained mainly by budget surpluses, the interest on overdue payments owed by member countries which pay their contributions late and interest on short-term investments of liquid assets. Although the Reserve Fund was originally set up to cover financing shortfalls, UPU has fortunately never had to use it for that purpose but uses it to finance additional credits, to cover the cyclical expenditure involved in the meeting of the Universal Postal Congress every five years (the next one is in Seoul in 1994), or to stabilize the amount of the contributions.

Contributions

73. The net expenditure of the Union is covered by the contributions which member countries pay in advance according to the contribution class (at present ranging from 50 to 0.5 units), which they have chosen freely. For instance, for 1990, the contribution unit was set at 24,900 Swiss francs ($15,465.84) on the basis of a total of 979.5 contribution units for 169 member countries. For 1991, the Executive Council has set the contribution unit at 27,570 Swiss francs ($17,124.22) on the basis of 949 units for the Union's current total of 170 member countries.

F. World Health Organization

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Effective working budget 1990-1991	653 740 000
Effective working budget 1988-1989	608 980 000
Increase	44 760 000
	7.3 per cent

74. The Advisory Committee discussed the programme budget of WHO for 1990-1991 with representatives of the Director-General of that organization.

Effective working budget for 1990-1991

75. The WHO effective working budget for 1990-1991 approved by the forty-second World Health Assembly provides for the following increases by main appropriation section compared to 1988-1989:

Appropriation section	Purpose of appropriation	1988-1989	Increase	1990-1991
1.	Direction, co-ordination and management	73 463 500	9 631 400	83 094 900
2.	Health system infrastructure	189 426 900	15 099 900	204 526 800
3.	Health science and technology - health promotion and care	110 934 400	4 242 500	115 176 900
4.	Health science and technology - disease prevention and control	86 080 400	3 306 000	89 386 400
5.	Programme support	149 074 800	12 480 200	161 555 000
	Total effective working budget	608 980 000	44 760 000	653 740 000

76. As shown above, apart from programme support, the foremost emphasis and greatest share of WHO's regular budget resources for health development are devoted to development of the basic health system infrastructure, through the primary health care approach (31.3 per cent), which provides the framework for sustained, affordable delivery of most health care services. The second largest health programme appropriation is for health promotion and care (17.6 per cent), including nutrition, maternal and child health, water supply and sanitation, and essential drugs and vaccines. The next largest health programme appropriation is for prevention and control of such diseases as malaria, immunizable diseases of childhood, diarrhoeal diseases, cancer and cardiovascular diseases (13.7 per cent).

77. Programme support consists of health information services, including WHO publications and documentation (6.1 per cent), and support services, such as personnel (1.5 per cent), general administration (12.8 per cent), budget and finance (3.1 per cent) and supplies (1.2 per cent). Support services altogether add up to approximately 18.6 per cent of the regular budget, or about 11 per cent of the total WHO integrated health programme.

Gross regular budget and net assessments

78. The forty-second World Health Assembly appropriated a total amount of $726,100,400 for the financial period 1990-1991, resulting in gross assessments of $681,120,400, as follows:

Approved effective working budget, 1990-1991	653 740 000
Plus Undistributed reserve assessments on inactive members	12 360 400
Plus Transfer to tax equalization fund	60 000 000
Total appropriations	726 100 400
Less Estimated reimbursement of programme support costs of activities financed by UNDP	4 000 000
Less Appropriation of casual income to help finance the programme budget 1990-1991	40 977 000
Gross assessments	681 123 400
of which:	
Payable in 1990	340 056 200
Payable in 1991	340 056 200

79. After taking into account $55,427,000 of credits from the tax equalization fund, the effect on net assessments for 1990-1991 compared with 1988-1989 is shown below:

	1988-1989	1990-1991	Increase/ percentage
Total appropriation to the regular budget	679 590 300	726 100 400	46 510 100 +6.8
Credit other than assessments	98 936 000	100 404 000	1 468 000 +1.5
Net assessed contributions	580 654 300	625 696 400	45 042 100 +7.8
Effective working budget	608 980 000	653 740 000	44 760 000 +7.3

Posts in established offices under the regular budget

80. The WHO programme budget for 1990-1991 records the establishment of 69 new posts and the abolition of 77 posts, resulting in a net decrease of 8 posts in established offices. The following table summarizes the posts at global/interregional and regional levels of WHO financed under the regular budget (excluding WHO representatives' offices):

Organizational level	1988-1989	1990-1991	Increase (Decrease)
Global and interregional	1 020	1 023	3
Regional	1 449	1 438	(11)
	2 469	2 461	(8)

Integrated international health programme

81. In spite of the problem of arrears of contributions by some member States to the WHO regular budget, the situation was altogether different with regard to voluntary and other extrabudgetary contributions to the overall integrated international health programme of WHO. Excluding the Pan American Health Organization (PAHO) and the International Agency for Research on Cancer (IARC), regular budget obligations in 1988-1989 represented 52 per cent and extrabudgetary obligations represented fully 48 per cent of total obligations during the financial period. Welcome as this trend is, such funds could not be used to pay for many of WHO's regular infrastructure costs and therefore burdened the regular budget at a cost greater than the standard support cost reimbursement rate of 13 per cent.

82. Recognizing that extrabudgetary funded programmes, including PAHO and IARC, are necessarily underestimated in the WHO programme budget, owing to the conservative approach of recording only those activities for which financing is either assured or expected at the time of preparation of the programme budget, it was noted that such activities already constitute 54 per cent of the total integrated international health programme for 1990-1991. The total estimated costs of activities administered directly or indirectly by WHO in 1990-1991, compared with 1988-1989, are summarized in the following table:

	1988-1989	1990-1991
Activities planned for financing under:		
Regular budget	608 980 000	653 740 000
Other sources		
Pan American Health Organization:		
Regular budget	121 151 400	131 607 400
Other funds	92 656 700	42 137 000
Voluntary Fund for Health Promotion	163 562 200	160 541 400
Income from United Nations sources:		
United Nations Development Programme	42 348 100	17 680 500
United Nations Population Fund	44 182 900	27 466 100
United Nations Fund for Drug Abuse Control ..	1 127 200	320 000
United Nations Environment Programme	2 403 200	2 289 300
United Nations Children's Fund	175 000	

	1988-1989	1990-1991
Trust funds:		
Global Programme on AIDS	155 890 000	205 000 000
Tropical Diseases Research	55 508 800	61 242 100
Onchocerciasis Control Programme	61 644 000	60 900 000
Sasakawa Health Trust Fund	6 217 900	1 986 000
Other	10 771 400	6 399 600
Special Account for Servicing Costs	19 278 800	21 487 900
International Agency for Research on Cancer ..	26 871 400	30 507 100
Subtotal, other sources	803 789 000	769 564 400
Total	1 412 769 000	1 423 304 400

83. As reflected in the above table, UNDP, UNFPA and UNEP are important sources of financing among the United Nations family for the WHO integrated international health programme for 1990-1991, while for example, UNICEF and UNHCR co-operate closely with WHO in the implementation of health programmes to a far greater extent than reflected in the table. The World Bank and UNDP collaborate in a number of WHO programmes, particularly the tropical diseases research and onchocerciasis control programmes. PAHO serves as the regional office of WHO for the Americas and, at the same time, it has its own PAHO budget contributed by member States of that region. IARC at Lyons, France, is an affiliate of WHO and its contributed budget is shown under "Other sources" above.

G. International Telecommunication Union

	Regular and supplementary publications budget a/		Technical co-operation special accounts budget	
	SwF	$US b/	SwF	$US
1991 gross budget	133 140 000	82 696 000	6 285 000	3 904 000
1990 gross budget	129 225 000	80 264 000	5 962 000	3 703 000
1989 gross budget	120 998 000	75 154 000	8 979 000	5 577 000
1988 gross budget	116 074 000	80 607 000	9 084 000	6 308 000
Increase/(Decrease) 1990-1991	3 915 000	2 432 000	323 000	201 000
Increase/(Decrease) (percentage) 1990-1991	3.0 per cent		5.4 per cent	

a/ Includes world and regional conferences.

b/ The budgets of the Union are expressed in Swiss francs and the United States dollar figures are based on an exchange rate of SwF 1.44 - $US 1 for 1988, SwF 1.61 - $US 1 for 1989, 1990 and 1991.

84. The Advisory Committee discussed the programme and budget of ITU and related matters with the Secretary-General of ITU.

General comments on the budget of the Union

85. Under the Financial Regulations of ITU, the budget is established for one year and is drawn up in Swiss francs, the Union's currency of account. The overall budget of the Union comprises a number of individual budgets, which are financed in different ways, as follows:

(a) The ordinary budget (including world conferences), financed mainly out of the annual contributions from Union members and the contributions from recognized private operating agencies, scientific or industrial organizations and international organizations;

(b) The budget for regional conferences, financed out of contributions from the member countries in the regions concerned;

(c) The Technical Co-operation special accounts budget, the income of which is derived from UNDP contributions and funds-in-trust for the defrayal of administrative and operational services costs;

(d) The supplementary publications budget, relating to publications sold by the Union at cost price and, accordingly, financed out of the proceeds of the sale of these publications.

86. Furthermore, under the International Telecommunication Convention, different versions of the Union's draft budget must be submitted to the Administrative Council, as follows:

(a) The conventional version (i.e., by type of expenditure);

(b) A version for zero growth of the contributory unit of members;

(c) The budget must also comprise budget forecasts and a cost analysis.

87. The ordinary budget must be drawn up within the limits set by the Plenipotentiary Conference. However, the Administrative Council may authorize that those limits be exceeded to cover changes in:

(a) Salary scales, pension contributions and allowances, including post adjustments established by the United Nations for application to their staff employed at Geneva;

(b) The exchange rate between the Swiss franc and the United States dollar, to the extent that this affects the staff costs of those on United Nations scales;

(c) The purchasing power of the Swiss franc in relation to non-staff expenditure.

Comments on the 1990 and 1991 budgets

88. At the opening meeting of its forty-fifth session at Nice, France (1989), the Administrative Council, having regard to the financial implications of the Plenipotentiary Conference's decisions for 1990, approved the budget of the Union for that year, as follows:

	Swiss francs	United States dollars
Ordinary budget	118 100 000	73 354 000
Regional conference budget	494 000	307 000
Miscellaneous expenditure budget	15 000	9 000
Technical co-operation special accounts budget	5 962 000	3 703 000
Supplementary publications budget	10 616 000	6 594 000
	135 187 000	83 967 000

89. At its June 1990 session, the Administrative Council approved the Union's budget for 1991, as follows:

	Swiss francs	United States dollars
Ordinary budget	123 794 000	76 891 000
Technical co-operation special accounts budget	6 285 000	3 904 000
Supplementary publications budget	9 346 000	5 805 000
	139 425 000	86 600 000

90. The 1990 and 1991 budgets are compared in the table below:

	1990 budget	1991 budget	Increase/decrease (as a percentage) 1990-1991	
		(Swiss francs)		
Operational budget	88 100 000	87 705 000	(395 000)	(0.45)
Budget for translation into Arabic, Chinese and Russian	3 000 000	3 237 000	237 000	7.9
Budget for conferences and meeting				
World	8 900 000	12 667 000	3 767 000	42
Regional	494 000	-	-494 000	
	100 494 000	103 609 000	3 115 000	3.1
Technical co-operation budget				
Ordinary budget	15 000 000	17 185 000	2 185 000	14.6
Special accounts	5 962 000	6 285 000	323 000	5.4
	20 962 000	23 470 000	2 508 000	12
Supplementary publications budget	10 616 000	9 346 000	-1 270 000	-12
Payment into the Reserve Account	3 100 000	3 000 000	-100 000	-3.2
Miscellaneous expenditure budget	15 000	-	-15 000	
Total	135 187 000	139 425 000	4 238 000	3.1

91. Pursuant to the decisions of the Plenipotentiary Conference (Nice, France, 1989), the operational budget from 1990 onwards includes expenditure on the extended use of the computer by the International Frequency Registration Board, on the implementation by the Board of the decisions of administrative conferences and on the transfer of common services expenditure of a permanent nature which, until the end of 1989, had been charged to the budgets of world conferences.

92. The operational budget for 1990 also includes the cost of an extraordinary session of the Administrative Council held late in 1989 and half the cost of a High-Level Committee set up by the Nice Plenipotentiary Conference "to carry out an in-depth review of the structure and functioning of the Union, in order to study and recommend, as necessary, measures to ensure greater cost-effectiveness". The other half of the cost of the High-Level Committee is included in the 1991 budget.

93. The operational budget for 1990 also includes the first annual instalment on a loan from the Swiss Confederation for extension of the Union's buildings.

94. Furthermore, taking into account the limit set on operational expenditure by the Nice Plenipotentiary Conference, an overall reduction of 3,879,000 Swiss francs in the cost of manning-table posts had to be entered in the 1990 budget. A total of 21 manning-table posts having been abolished, the overall reduction has been reduced to 2,458,000 Swiss francs in the 1991 budget.

95. In this connection, it should be noted that the Nice Conference set the following limits on expenditure under the operational budget:

SwF
88 100 000 for 1990
85 700 000 for 1991
84 600 000 for 1992
83 100 000 for 1993
81 800 000 for 1994

These figures show that the Union's operational budget (in Swiss francs, April 1989 value) will have to be reduced each year during the period 1990-1994.

96. The limit on the budget for translation into Arabic, Chinese and Russian was set at 3,000,000 Swiss francs per year by the Nice Plenipotentiary Conference, and the 1990 and 1991 budgets were adjusted accordingly.

97. The world and regional conference budget is higher because more conferences and meetings are scheduled in 1991 than during the current year.

98. The technical co-operation budget is made up of two parts:

(a) The budget for the Telecommunications Development Bureau, a new permanent organ of the Union established by the Nice Plenipotentiary Conference to discharge the Union's dual responsibility as a United Nations specialized agency and an executing agency for implementing projects under the United Nations development system or other financing arrangements;

(b) The technical co-operation special accounts budget comprising the administrative and operational service costs generated by the Union's involvement in UNDP and by other financing arrangements for technical co-operation projects.

99. It should be noted that the share of technical co-operation in the ordinary budget of ITU has been increased from 5,700,000 to 15,000,000 Swiss francs in 1990 and 17,185,000 Swiss francs in 1991. Some 4,000,000 Swiss francs of this substantial increase is accounted for by the transfer of expenditure in connection with the Union's role as a specialized agency from the technical co-operation special accounts to the ordinary budget.

100. The remainder of the difference referred to in paragraph 99 above is accounted for by Plenipotentiary Conference decisions on strengthening the Union's technical co-operation activities.

101. A smaller service publications production programme accounts for the difference between the two supplementary publications budgets.

102. The Union's Reserve Account, which in ITU replaces a working capital fund, is also used to cover the additional credits which need to be entered in the budget of the Union to cater for changes in the United Nations common system. However, in view of the movement of the Swiss franc/United States dollar exchange rate and of the reduction of payments into the UNJSPF, fairly substantial sums could be withdrawn from the account in 1987, 1988 and 1989 in order to reduce members' contributions.

103. The situation will be different in 1990 and 1991, and budgetary provision has had to be made to pay 3,100,000 Swiss francs and 3,000,000 Swiss francs into the Reserve Account.

104. The programme of conferences and meetings for 1991, compared with that for 1990, is as follows:

	1990	1991
	(in Swiss francs)	
Administrative Council		
Extraordinary session 1989	500 000	
Ordinary session	696 000	715 000
Group of experts		50 000
World administrative radio conferences		
Post-conference work:		
Broadcasting		
Space services		
Mobile services	260 000	
Preparatory work:		
Broadcasting	1 140 000	1 150 000
WARC 1993		100 000

	1990	1991
	(in Swiss francs)	
Regional administrative radio conferences		
Post-conference work:		
African region	433 000	
Broadcasting, American region	61 000	
Meetings of the International Consultative Committees:		
CCIR	1 021 000	2 208 000
CCITT	3 782 000	3 753 000
Seminars	100 000	30 000
Common services expenditure on conferences and meetings (supernumerary staff)	2 597 000	5 426 000
Total	10 590 000	13 432 000
or, excluding the Administrative Council	9 394 000	12 667 000

Other comments of a financial nature

105. The Nice Plenipotentiary Conference retained the system of contributions which has been in force in ITU since its inception and is based on the free choice of classes of contribution by members, from a scale ranging from 40 units to 1/16 (formerly 1/8 unit).

106. It should be noted that the two lower classes, 1/8 and 1/16 unit, are set aside for the least developed countries as identified by the United Nations and for other countries as decided by the Administrative Council.

107. The new choice of classes of contribution, which will take effect on 1 January 1991, had to be notified by members to the Secretary-General before 1 January 1990. From the financial year 1991 onwards, the number of contributory units will be 378 11/16, as against 402 1/8 units in 1990. This reduction of 6 per cent will entail a corresponding increase in the value of the contributory unit.

108. The following limits on expenditure were approved by the Nice Conference:

	1990	1991	1992	1993	1994
	(in Swiss francs)				
Operational budget	88 100 000	85 700 000	84 600 000	83 100 000	81 800 000
Budget of the Telecommunications Development Bureau	15 000 000	16 800 000	18 700 000	20 600 000	22 500 000
Translation into Arabic, Chinese and Russian	3 000 000	3 000 000	3 000 000	3 000 000	3 000 000
World Conference budget	8 900 000	12 500 000	19 700 000	14 800 000	12 200 000
Total	115 000 000	118 000 000	126 000 000	121 500 000	119 500 000
Total for the five years			600 000 000		

H. World Meteorological Organization

	$US
Approved budget 1990-1991 (SwF 87 871 700 a/)	57 432 484
Approved budget 1988-1989 and supplementary estimates (SwF 82 634 400 a/)	54 009 400
Increase	3 423 084
	6.34 per cent

a/ Converted at the April 1987 rate of SwF 1.53 to $US 1. This was the rate used in establishing the budget for the tenth financial period (tenth WMO Congress).

109. The Advisory Committee discussed the programme and budget of WMO with representatives of the Secretary-General of the Organization.

110. WMO follows a four-year budgetary cycle. Its Congress meets every four years and establishes a budgetary ceiling for the next four-year financial period. Within that ceiling, biennial budgets are approved by the Executive Council. The Executive Council is empowered by the Congress to authorize the use of "flexibility clauses", which make it possible to adjust the level of the maximum expenditure for the financial period.

111. The Tenth World Meteorological Congress, held in May 1987, authorized the Executive Council to incur maximum expenditures of SwF 170,000,000 (net) for the period 1988-1991. This amount was based on zero real growth of programmes, and on salary scales, prices and exchange rates (1.53 Swiss francs to the dollar) prevailing on 1 April 1987. In resolution 27 (Cg-X) on maximum expenditures, the Congress also authorized the Executive Council under the "flexibility clauses":

(a) To incur necessary expenditures resulting from any increase in staff salaries and allowances in consequence of changes in the United Nations common system of salaries and allowances;

(b) To incur other necessary expenditures not exceeding $500,000 in total, which might be agreed by member States of WMO to implement unforeseen programme activities of an urgent character.

112. The budget approved by Congress is fully co-ordinated with the second long-term plan of WMO.

113. In addition to approving the ceiling for the tenth financial period, the Congress also examined the proposed structure of the WMO secretariat for the period and gave the Secretary-General the flexibility to implement this, within the financial limitations imposed by the approved maximum expenditure. By a decision of the Congress, the maximum number of established posts in the secretariat during the tenth financial period, once more, remains unchanged at 246.

114. Congress decided that, within the maximum limit of expenditures and the maximum number of established posts, this authorization should provide, in addition to the 3 unclassified posts, a maximum of 12 posts at the level of D-2 and D-1, the maximum number of D-2 posts being determined by the Executive Council.

115. It should be noted that the total of 246 approved posts does not include the staff devoted to technical co-operation, whose posts are financed mainly from support cost income received from UNDP and other donors, nor does it include staff for the joint activities covered by the agreement between WMO and the International Council of Scientific Unions.

1990-1991 budget

116. At its forty-first session, held at Geneva in June 1989 the Executive Council approved the budget of WMO for the biennium 1990-1991 in the amount of SwF 87,871,700. This was the second biennium of the four-year financial period. It represents the remaining 51.69 per cent of the maximum expenditure approved by Congress for the period 1988-1991. The budget was based on salaries, exchange rates and cost-of-living indices prevailing on 1 October 1988.

117. The Secretary-General's proposals for 1990-1991 could not all be funded within the constraint of the maximum expenditure for the tenth financial period as established by the tenth Congress, due to increases in staff costs, several new priority programmes, a severe deficit in support cost income to the Technical Co-operation Programme, as well as general price level increases which are not allowed for in the budget. A total of SwF 7.94 million of such unfunded proposals were noted by the Executive Council at its forty-first session in June 1989, to be funded if possible from programme savings and continued budget austerity measures.

118. Cash shortages caused by delayed and non-payment of assessed contributions of members have continued since the last quarter of 1986, resulting in a decrease in programmes, activities and the staff strength of the WMO secretariat. To offset partially the consequences of delayed or non-payment of contributions, budgetary savings of SwF 3.5 million were realized through budget austerity measures during the 1988-1989 biennium. This savings was in addition to amounts which were saved from the regular budget to cover new priority programmes, an emergency deficit of SwF 2.3 million in support cost income to the Technical Co-operation Programme and staff cost increases during the 1988-1989 biennium.

119. This budgetary savings from the 1988-1989 biennium has been reappropriated to the 1990-1991 biennium, as approved by the Executive Council at its forty-first session, to provide for some of the unfunded proposals and cost increases noted above. Of this SwF 3.5 million reappropriation, SwF 1.14 million was from savings on personnel costs due to a freeze on recruitment and the resulting unusually high vacant post factor, SwF .55 million was for reallotment to specific postponed programme activities, SwF 1.34 million was for redeployment to high priority programme activities and, finally, SwF .47 million was reappropriated for running costs of the secretariat.

120. Realizing that the reappropriation from 1988-1989 would not be sufficient to provide additional funds to cover urgent priority areas noted by EC-XLI and new items which have been quantified subsequent to EC-XLI, such as public information activities costing SwF .83 million, the Secretary-General has implemented a 10 per cent "holdback" on 1990-1991 discretionary programme budgets. This "holdback" of funds from the various programmes, totalling SwF 1.64 million has already been substantially allotted to new priority areas including SwF .25 million to cover WMO's contribution to the joint WMO/UNEP Intergovernmental Panel on Climate Change Fund for 1990-1991. In addition, an amount of SwF .81 million has been set aside to cover a part of the projected deficit in support costs for the Technical Co-operation Programme staff.

121. The Secretary-General has determined that, even with this reappropriation of savings from 1988-1989 and the additional 10 per cent "holdback", an additional budget authorization will be necessary to cover personnel cost increases in the 1990-1991 biennium and to avoid the need for further deleterious programme reductions which would otherwise be necessary to cover these cost increases. In this regard, he has proposed a supplementary estimate of SwF 4.8 million for consideration by the Executive Council at its forty-second session in June 1990.

122. The following table provides a summary of the WMO budgets for the bienniums 1988-1989 and 1990-1991:

Part	Title	1988-1989 a/ approved budget and supplementary estimates b/	1990-1991 approved budget b/
		(United States dollars)	
1.	Policy-making organs	1 033 100	2 005 200
2.	Executive management	2 670 000	2 739 000
3.	Scientific technical programmes	26 712 500	27 985 100
4.	Technical co-operation	954 100	632 900
5.	Programme support	11 937 700	12 525 500
6.	Administration	9 505 600	10 234 300
7.	Other budgetary provisions	1 196 400	1 310 500
	Total	54 009 400	57 432 500

a/ 1988-1989 actual expenditure $51,713,311.

b/ Converted at the exchange rate of SwF 1.53 to $US 1, the official United Nations rate of exchange used at the time the tenth financial period budget was established (April 1987).

I. International Maritime Organization

	Pound sterling
Gross regular budget for 1990-1991	25 410 600
Gross regular budget for 1988-1989	21 627 200
Increase	3 783 400
	17.5 per cent

123. The IMO regular budget mainly comprises expenditure on the headquarters secretariat and premises, together with intergovernmental meetings. The 1990-1991 budget was based on the work programme approved by member States through the Organization's committees. Key issues scheduled for the biennium include the proposed adoption of a convention on international co-operation on oil pollution preparedness and response, questions of liability in cases of maritime accidents and a number of matters covering safety of vessels.

124. Overall, the budget showed negative real growth of around 4.6 per cent, the total increase being explained as follows:

	Percentage
Difference in exchange rate assumptions	0.9
Cost increases	21.2
Real growth in programme	(4.6)
Total increase	17.5

125. The relatively high cost increase was explained primarily by the expected level of the inflation rate in the United Kingdom of Great Britain and Northern Ireland for the biennium, plus a one-time cost increase in the rental paid for the headquarters premises, following the end of an eight-year transitional period on rental payments, which commenced when the Organization moved into its new headquarters building in 1982.

126. Of major concern to the Organization during the biennium have been the difficulties experienced with payment of contributions. These are based, to the extent of 90 per cent, on merchant shipping tonnage under the flag of individual members. Difficulties in certain major flag States have led to the full depletion of the Working Capital Fund, and authority being granted by the IMO Council for internal borrowing to meet any shortfall in contributions. An Ad Hoc Working Group

has been established to re iew the apportionment of contributions and other related financial questions. This will continue to meet with the aim of a report being submitted to the 1991 IMO Assembly.

127. With regard to the technical assistance programme, which is funded on an entirely voluntary basis, the primary focus continues to be human resources development, with the World Maritime University at Malmö, Sweden being the apex of this element of the programme. The Organization has also established a Global Programme for the Protection of the Marine Environment, the first phase of which is scheduled to run from 1990-1992.

J. World Intellectual Property Organization

	Swiss francs	United States dollars a/
Expenditure budget 1990-1991	137 506 000	85 407 453
Expenditure budget 1988-1989	107 082 000	66 510 559
Increase	30 424 000	18 896 894
		28.4 per cent

a/ At SwF 1.61 to $US 1.

128. The Advisory Committee discussed the programme and budget of WIPO for 1990-1991 with representatives of the Director-General of that organization.

129. The competent Governing Bodies of WIPO 5/ have adopted a system of biennial budgets starting in even-numbered years, as is being done by the United Nations and several organizations in the United Nations system. The first biennial budget was for 1980-1981.

130. The budgets of WIPO reflect the fact that the organization is also an amalgam of separate unions. As a consequence, WIPO budgets are, in effect, of a dual nature. They cover, on the one hand, the budget of the WIPO Conference and the budget of expenses common to the unions and, on the other, the budgets of the unions themselves, which are administered by WIPO.

131. The WIPO programme and budget document for 1990-1991 deals separately with the programme unions and the registration unions, because of the fundamental difference between the nature of their activities and the source of their revenues.

132. As far as the programme unions (Paris, Berne, International Patent Classification, Nice, Locarno and Vienna unions) are concerned, the services rendered by the International Bureau (i.e. the secretariat) of WIPO concern primarily the public authorities of the member States. Programme activities are financed by contributions from the member States of the programme unions (and by such States of WIPO as are not members of any of the unions) and the member States have complete control over those activities.

133. As far as the registration unions (Patent Co-operation Treaty, Madrid and Hague unions) are concerned, the services rendered by the International Bureau concern primarily the mostly private owners of industrial property rights (patents, trademarks, industrial designs, etc.). Those owners pay fees for the international registration and international patent application services rendered by the International Bureau. The Advisory Committee was informed that the volume of registration activities depends directly on the demand of the users. The budgets of the Patent Co-operation Treaty, Madrid and Hague unions must therefore always be somewhat tentative.

134. The programme and budget document is presented by programme activities, registration activities and Governing Bodies, staff and support activities; it shows the expenses, by object of expenditure, connected with each activity. It also details the share of the interested unions in the financing of expenses common to two or more unions. Furthermore, the Union for the Protection of New Varieties of Plants, which has a separate administration, 6/ contributes in an agreed amount towards common expenses. Additional income is derived from publications revenue, rental of WIPO premises and miscellaneous credits.

Programme unions: programme and budget for 1990-1991

135. The following table gives the programme variation and cost variations from 1988-1989 to 1990-1991 for the programme unions:

	Thousands of Swiss francs	Percentage variation
1988-1989 budget	47 399	-
Programme variation	-	0
Cost variation	+2 577	+5.4
1990-1991 budget	49 976	+5.4

136. As can be seen from the table above, the total expenses in the programme unions' budget for 1990-1991 amount to SwF 49,976,000, an increase of SwF 2,577,000, or 5.4 per cent, over the budget for 1988-1989.

Registration unions: programme budget for 1990-1991

137. The following table gives the programme variation and cost variation from 1988-1989 to 1990-1991 for the registration unions:

	Thousands of Swiss francs	Percentage variation
1988-1989 budget	58 657	-
Programme variation	+24 679	+42.1
Cost variation	+3 119	+5.3
1990-1991 budget	86 455	+47.4

138 As shown above, the total expenses in the registration unions' budget for 1990-1991 amount to SwF 86,455,000, an increase of SwF 27,798,000, or 47.4 per cent, over the budget for 1988-1989.

139. The programme variation of 42.1 per cent is due to the expected large increases in the volume of Patent Co-operation Treaty international applications, international trademark registrations and renewals, and industrial design deposits and renewals.

Staff

140. The number of posts approved is 333 for 1990 and 350 for 1991, a net increase of 53 over the level of 297 approved in the 1988-1989 budget. The increases in posts are financed entirely by the registration unions.

K. United Nations Industrial Development Organization

	United States dollars
1988-1989 net budget	146 963 400 a/
1990-1991 net budget	156 718 100 b/
Increase	8 754 700
	5.58 per cent

a/ United States dollar equivalent at rate $US 1 = S 12.70.

b/ At an exchange rate of $US 1 = S 12.90 ($23,506,800 plus the equivalent in United States dollars of S 1,718,425,770).

141. The Advisory Committee discussed the programme of work and budget of UNIDO with representatives of that organization.

142. The Advisory Committee was informed that, in November 1989, at its third session, the General Conference of UNIDO took the following action:

(a) Approved the programme and budgets for 1990-1991, as contained in document GC.3/10 and Corr.1;

(b) Appropriated on the basis of an exchange rate of $US 1 = S 12.90, a total amount of $180,481,500 for the regular budget of the Organization in 1990-1991 as follows:

	United States dollars
Policy-making organs	2 787 300
Executive direction and management	5 734 500
Programme and project development	30 092 400
Industrial promotion, consultation, and technology	15 928 400
Industrial operations	40 983 400
External relations, public information, language and documentation services	23 214 200
Administration	61 741 300
Total gross appropriations	180 481 500 a/

a/ Assumes ratio of expenditures of 15 per cent in United States dollars and 85 per cent in Austrian schillings at an exchange rate of $US 1 = S 12.90, in accordance with financial regulation 5.1(d). This ratio will also be applied to the appropriation for technical co-operation.

The amounts in the appropriations are to be adjusted in accordance with a formula to take into account the exchange rate variations during the biennium.

(c) Decided that the foregoing appropriations should be financed from:

(i) Payments of contributions by member States, under the provision of financial regulation 5.5(e), amounting to $156,718,100 at an exchange rate of $US 1 = S 12.90 (representing $23,506,800, plus the equivalent in United States dollars of S 1,718,425,770, in accordance with decisions GC.3/Dec.18 and GC.3/Dec.19, paragraph (b) related to the scale of assessments;

(ii) Estimated other income and income from revenue-producing activities amounting to $23,763,400 at an exchange rate of $US 1 = S 12.90 (representing $1,219,400, plus the equivalent in United States dollars of S 290,817,600);

(d) Decided that, from the total amount of the 1990-1991 appropriations, an amount representing 15 per cent of those appropriations should be kept in reserve by the Director-General pending receipt from member States of their assessed contributions;

(e) Authorized the Director-General to reduce from 9 per cent to 5 per cent the overall vacancy factor in the Professional and higher categories should a positive change occur in the biennium 1990-1991 vis-à-vis the circumstances that previously caused the increase of the vacancy factor;

(f) Approved estimates of expenditure, totalling $35,723,000 (calculated at the exchange rate of $US 1 = S 12.90), for the purpose of the operational budget for the biennium 1990-1991 to be financed from voluntary contributions and such other income as might be provided for in the financial regulations;

(g) Requested the Director-General to consult with member States and report to the Industrial Development Board at its seventh session, through the Programme and Budget Committee at its next session, on the possible necessary adjustments to the budget procedure in order to apply correctly paragraph B of annex II of the Constitution, related to "the amount of 6 per cent of the total of the regular budget" for technical co-operation activities.

143. The General Conference also requested the Industrial Development Board, having in view the increasing responsibilities and demands imposed on UNIDO and the need for it to provide more effective assistance to the developing countries in tackling their increasingly complex industrial problems, to re-examine the practice of zero real growth budgets and to submit a report on that subject to the General Conference at its fourth session.

Implementation of decisions of UNIDO policy-making organs

144. The regular budget for the biennium 1990-1991 shows a negative real growth of 3.3 per cent over the previous biennium. In line with the decisions of the General Conference, only 85 per cent of the appropriations for 1990 have been allotted for the first year of the current biennium. This is intended to ensure that expenditure in the current year do not exceed cash available.

Operational budget

145. At its third session, the General Conference approved estimates of expenditure totalling $35,723,000 (calculated at the exchange rate of $US 1 = S 12.90) for the purpose of the operational budget for the biennium 1990-1991 to be financed from voluntary contributions and such other income as might be provided for in the financial regulations.

L. International Atomic Energy Agency

	$	$
Approved budget 1990	162 832 000	
budget 1991	178 878 000 a/	
		341 710 000
Approved budget 1988	150 994 000	
Approved budget 1989	157 540 000	308 534 000
Increase		33 176 000
		10.8 per cent

Based on an exchange rate of S 12.70 to $US 1.

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a/ Includes a special appropriation of $US 6.7 million for the acquisition of major equipment, financed from the 1988 cash surplus.

146. The Advisory Committee discussed the budget of IAEA for 1991 and related matters with a representative of the Director-General of the Agency.

147. In accordance with the IAEA Statute budget estimates are submitted annually by the Board of Governors for approval by the General Conference. The annual estimates are presented within a two-year programme cycle. Thus, the 1991 estimates are presented within the Agency's programme and budget for 1991 and 1992. The budget estimates for the second year, 1992, have been prepared in the same degree of detail as those for 1991, with a view to facilitating the budget review and approval process by member States. The estimates are initially prepared by the Director-General and reviewed by the Administrative and Budgetary Committee of the Board.

148. For several years, the regular budget expenditure estimates have been prepared on the basis of zero growth. For 1991, estimates showing a programme increase of 0.2 per cent over 1990 were approved by the General Conference in September 1990. In addition, a special appropriation of $US 6.7 million for the acquisition of major equipment was approved, to be financed from the 1988 cash surplus.

149. The budget of 1991 includes small increases in the areas of food and agriculture. Life sciences, safety of nuclear installations, and in respect of the subprogramme on comparable assessment of nuclear power and other energy sources. There are also increases in the area of direction and support, mainly for technical co-operation administration and for a legal meeting on liability for nuclear damage. These increases are partly offset by decreases in some areas of the nuclear power and the fuel cycle programme, and under the radiation protection subprogrammes. The increase in the nuclear power subprogramme relating to the cost of proceedings for a nuclear fusion conference is covered by savings in the area of physical and chemical sciences.

150. The main reason for the 5.8 per cent price increase for Agency programmes in 1991 is the increase in respect of General Service staff salaries. This salary increase takes into account (a) a recent ILO Administrative Tribunal decision that deductions made by ICSC in their last survey to offset commissary benefit should be restored, (b) the expected results of the ICSC survey in 1991; and (c) increases required to offset underbudgeting of the salary rates in 1990.

Regular budget, technical co-operation funds, extrabudgetary resources

151. A breakdown of the regular budget for 1991 as compared with the budget for 1990 is provided in the table below. To facilitate comparison, both budgets have been costed at an exchange rate of S 12.70 to $US 1.

Programme area	1990 budget	1991 estimates	Total increase/ decrease	Percentage
1. Nuclear power and the fuel cycle	13 930 000	15 130 000	1 200 000	8.6
2. Nuclear applications	22 576 000	23 773 000	1 197 000	5.3
3. Nuclear safety and radiation protection	9 631 000	9 854 000	223 000	2.3
4. Safeguards	54 189 000	57 046 000	2 857 000	5.3
5. Direction and support	58 022 000	62 180 000	4 158 000	7.2
Total agency programmes	158 348 000	167 983 000	9 635 000	6.1 a/
Reimbursable services provided to others	4 484 000	4 195 000	(289 000)	(6.4)
Acquisition of major equipment		6 700 000	6 700 000	-
Total regular budget	162 832 000	178 878 000	16 046 000	9.9 b/

/...

Programme area	1990 budget	1991 estimates	Total increase/ decrease	Percentage
To be funded as follows				
Miscellaneous income				
Income from reimbursable work for others	4 484 000	4 195 000	(289 000)	(6.4)
Other	3 417 000	3 517 000	100 000	2.9
Transfer of 1988 cash surplus		6 700 000	6 700 000	-
Assessment on member States	154 931 000	164 466 000	9 535 000	6.2
Total	162 832 000	178 878 000	16 046 000	9.9 a/

a/ Of the total increase of 6.1 per cent, 5.8 per cent represents price increases and 0.2 per cent minimal growth.

b/ The increase of 9.9 per cent for the total regular budget is not important for the Agency, as the difference between the total regular budget and total Agency programmes is attributable to the reimbursable services provided to others and to the special appropriation for the acquisition of major equipment, the latter of which is funded from the 1988 cash surplus and does not represent a programme increase.

152. A summary of posts by grade and departments is contained in the following table:

Grade of post	Number of established posts 1989 adjusted	1990 adjusted	1991	Change 1990-1991
DG	1	1	1	-
DDG	5	5	5	-
D	30	29	29	-
P-5	173	174	177	3
P-4	260	260	257	(3)
P-3	215	216	216	-
P-2	59	62	64	2
P-1	12	10	7	(3)
Subtotal	755	757	756	(1)
General service	908	917	920	3
Maintenance and operatives	76	75	75	-
Total	1 739	1 749	1 751	2

Department				Profes-sional	General Service	Maintenance and operatives
Office of the Director-General a/	23	23	23	-	-	-
Department of Technical Co-operation	123	125	125	-	-	-
Department of Nuclear Energy and Safety	190	190	190	-	-	-
Department of Research and Isotopes	272	272	273	-	1	-
Department of Safeguards	496	500	500	-	-	-
Department of Administration	271	275	276	-	1	-
Shared Support Services (Agency posts) b/	364	364	364	(1)	1	-
Total	1 739	1 749	1 751	(1)	3	-

a/ Includes Secretariat of the Policy-making Organs and Internal Audit and Evaluation Support.

b/ Includes all services at the Vienna International Centre operated by IAEA and cost-shared with other organizations, i.e., data processing, printing, library and medical services. Also includes those allocated only within Agency programmes (translation, interpretation, contracts administration, etc.).

/...

153. For 1991, the Agency estimates its share of the operating costs of the Vienna International Centre, which is operated by UNIDO, at $10,196,000, as follows:

	$
Utilities	2 831 400
Contractual maintenance services	1 459 000
Cleaning	1 113 000
Building and maintenance staff	2 388 000
Security services staff costs	1 634 000
Building and maintenance supplies	505 600
Building, property and maintanence equipment	99 000
Sinking Fund, major repairs	166 000
Total	10 196 000

The above total represents an increase of 4.7 per cent over the 1990 total.

154. It is also estimated that $4,195,000 will be received in 1991 as income in respect of the support services operated by the Agency and cost-shared with other organizations, i.e., data processing, printing, library and medical services. The amount is shown as part of the Agency's miscellaneous income.

155. The provision of technical assistance by the Agency to its member States is financed from the technical assistance and co-operation fund. The fund derives its income mainly in the form of voluntary contributions for which a target is set each year in accordance with the indicative planning figure recommended by the Board of Governors and approved by the General Conference. For 1991, the recommended target is $49 million. The targets for 1990 and 1991 were based on a $3.5 million annual increase.

156. The Agency's extrabudgetary resources in 1991 are estimated at $78,470,000, as folows:

	$
Funds from other United Nations organizations a/	2 558 000
Techical co-operation resources b/	48 029 000
Other extrabudgetary resources	27 883 000
	78 470 000

a/ Funds from FAO, UNEP, UNESCO, etc.

b/ Technical co-operation resources include the technical co-operation fund and funds from UNDP and other extrabudgetary sources that are foreseen for actual implementation in 1989.

157. A continuing policy of zero real growth in recent years has meant that the Agency is finding it increasingly difficult to respond to unexpected and urgent needs. In order to fund additional requirements, the Agency is dependent on voluntary contributions of extrabudgetary funds, equipment or cost-free experts.

158. The funding of the acquisition of major equipment under the regular budget presents a further problem in a zero growth environment. For 1991, a special appropriation for the acquisition of mainframe computer equipment and safeguards equipment urgently needed for the Agency's activities was approved by the General Conference. Of the $US 6.7 million appropriation, $US 5.5 million for mainframe computer equipment has been frozen and is to be spent only with special approval by the Board. The establishment of a separate fund to finance such major items in the future is also being considered.

159. In order to ensure the full use of approved resources, the Board has approved a change in the Agency's Financial Regulations. The change permits the carrying forward of obligations in respect of goods/services for which orders are placed before the end of the financial year, even when the goods/services have not been received by the end of that year.

160. Over the past few years, the secretariat has requested that its Working Capital Fund be increased to a level equivalent to one month's expenditure, i.e., $US 14 million for 1991. This is the level considered appropriate to support the Agency in implementing its programme smoothly. Member States have been in favour of a gradual increase in the Fund, and an increase in the Fund from $US 6 million to $US 8 million for 1991 was approved by the General Conference in September 1990.

IV. PROBLEM OF ILLICIT TRAFFICKING IN NARCOTIC DRUGS

161. The General Assembly, by its decision 44/414, adopted on 22 November 1989, invited the Advisory Committee to consider the possibility of conducting in-depth studies of administrative and budgetary aspects of topics of system-wide concern. Pursuant to that invitation, the Committee decided, for 1990, to study current and projected arrangements in the United Nations system for dealing with the problem of illicit trafficking in narcotic drugs. The Advisory Committee will be submitting its observations on the Secretary-General's reports on the implementation of the Global Programme of Action adopted by the General Assembly at its seventeenth special session, devoted to the question of international co-operation against illicit production, supply, demand, trafficking and distribution of narcotic drugs and psychotropic substances (A/C.5/45/27) and on the enhancement of the efficiency of the United Nations structure for drug abuse control (A/45/652) to the current session of the General Assembly. As part of its co-ordination of administrative and budgetary questions, during its meetings at Geneva and Vienna, the Advisory Committee held an exchange of views with the specialized agencies on this matter.

162. Specifically, the Committee discussed the various approaches of the specialized agencies to the problem of illicit trafficking in narcotic drugs, especially in regard to the United Nations System-wide Plan on Drug Abuse Control. 7/

163. According to information supplied by ILO, that Agency is primarily pursuing a two-pronged programme, the first component of which is concerned with the rehabilitation and social reintegration of recovering addicts within the community. The second component focuses on initiatives which will prevent and reduce drug and alcohol problems at the workplace. ILO also intends to intensify its contribution to international action to reduce drug abuse in co-operation with the United Nations system.

164. Representatives of UNESCO indicated that the Organization's approach to reducing the demand for drugs was primarily through preventive education, information and awareness-building. At the present time, UNESCO has a small unit dealing with this matter pending the determination of exact staffing requirements.

165. With regard to FAO, the Committee was informed that the efforts of that organization were directed to crop substitution and redevelopment of areas formerly under illicit drug crop cultivation. FAO had appointed an official to serve as the focal point to be responsible for co-ordinating efforts within the Organization for such matters.

166. WHO representatives informed the Committee that the Organization dealt with both illicit and licit drugs (with the exception of tobacco) within a single programme. The objective of the WHO programme is to co-operate with member States in preventing and controlling problems related to alcohol and drug abuse, and in developing appropriate technology for the treatment and management of problems when they do arise.

V. REPORT OF THE JOINT INSPECTION UNIT ON BUDGETING IN ORGANIZATIONS OF THE UNITED NATIONS SYSTEM

167. As mentioned above, the Advisory Committee, while meeting with the specialized agencies and IAEA, took the opportunity to briefly discuss the Joint Inspection Unit report entitled "Budgeting in organizations of the United Nations system" (A/45/130). In particular, the Committee discussed which of the reports' recommendations each agency subscribed to and, in those cases where a recommendation was rejected, the reasons therefor. During its joint meeting with the Joint Inspection Unit, the Advisory Committee also discussed the report and raised questions concerning various issues and recommendations.

168. The Advisory Committee does not intend to make specific observations on the report; in this connnection, it points out that the Administrative Committee on Co-ordination has studied the report and has made specific comments regarding the recommendations contained therein. The comments of the Administrative Committee on Co-ordination are contained in document A/45/130/Add.1.

169. In this connection, the Advisory Committee notes the Administrative Committee on Co-ordination's observation that "the report, and in particular the comparative tables in volume II ... will be a useful source of reference, both for Member States of the organizations of the system and for the organizations themselves as they pursue their aim of enhancing the comparability of their budgets and the compatibility of their budgeting methods and techniques" (A/45/130/Add.1, para. 1).

170. While agreeing that the report will serve as a useful source of reference, the Advisory Committee has some reservations regarding continued efforts to achieve harmonization in budgetary practices. In so stating, the Committee notes that significant progress has been made since concern about harmonization was first expressed in various forums. However, harmonization and standardization should not, in the Committee's opinion, become ends unto themselves. As noted by the Administrative Committee on Co-ordination, the Inspector himself recognized the unavoidable limits placed on such efforts and results by the specificity of organizations' mandates, structures and activities and the resulting different requirements of their governing bodies. A similar point was made by the Advisory Committee in 1984 when, in the context of its report on administrative and budgetary co-ordination with the specialized agencies and IAEA (A/39/592), it stated

> "while further effort at standardization and harmonization should be encouraged, it should also be borne in mind that the prime objective in preparing a budget should be to set forth the estimates in a manner which is clear and understandable to the governing body concerned and which is responsive to the special requirements of that body. The Committee also believes that, nothwithstanding variations in budgeting practices, a clear and concise explanation of the methodology used in formulating the estimates should be readily available, perhaps in the budget document itself." (para. 17)

171. Given the progress made since that time in achieving harmonization in budgeting practices among agencies, the Advisory Committee is of the view that efforts should now be focused by each agency on achieving an even greater measure of clarity and simplicity in budgetary submissions, and that to this end as suggested by the Administrative Committee on Co-ordination new ideas should be shared and constructively discussed and that each organization should benefit from the experience of others.

Notes

1/ General Assembly resolution 14 (I) of 13 February 1946 provides, inter alia, that one of the functions of the Advisory Committee is "to examine on behalf of the General Assembly the administrative budgets of the specialized agencies and proposals for financial arrangements with such agencies".

2/ The amounts of the approved regular budgets shown in these tables may vary from those indicated in previous reports by the Advisory Committee. Such variations are attributable to differences in presentation, including the use of different exchange rates.

3/ E/1990/79.

4/ This figure comprises $25,928,200 for anticipated cost increases in 1990-1991 offset by a reduction of $11,944,000 for currency adjustment ($13,711,000 in 1988-1989 and $1,767,000 in 1990-1991).

5/ The Governing Bodies of WIPO and the Unions administered by WIPO are the WIPO General Assembly, the WIPO Conference, the WIPO Co-ordination Committee, the Assemblies of the Paris, Berne, Madrid, Hague, Nice, Lisbon, Locarno, the International Patent Classification, the Patent Co-operation Treaty, the Trademark Registration Treaty, Budapest and Vienna Unions, the Conferences of Representatives of the Paris, Berne, Hague and Nice Unions, the Executive Committees of the Paris and Berne Unions, the Madrid Union Committee of Directors and the Lisbon Union Council.

6/ The Director-General of WIPO is also the Secretary-General of the Union for the Protection of New Varieties of Plants. WIPO provides administrative and financial services to the Union.

7/ E/1990/39.

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General Assembly Security Council

Distr.
GENERAL

A/45/799
S/21967

ORIGINAL: ENGLISH

GENERAL ASSEMBLY
Forty-fifth session
Agenda item 28
THE SITUATION IN CENTRAL AMERICA:
THREATS TO INTERNATIONAL PEACE AND
SECURITY AND PEACE INITIATIVES

SECURITY COUNCIL
Forty-fifth year

Letter dated 26 November 1990 from the Permanent Representative of the United States of America to the United Nations addressed to the Secretary-General

Upon instructions from my Government, I have the honour to note the following. The United States reaffirms its support for a peaceful and negotiated settlement ending the armed conflict in El Salvador. My Government fully supports the appeal made to you by the Governments of Costa Rica, Guatemala, Honduras and Nicaragua on 21 November 1990, circulated as document A/45/737-S/21956, that you personally make the necessary representations to the Farabundo Marti Front for National Liberation (FMLN) in order to achieve a rapid cessation of the hostilities that commenced in El Salvador on 20 November 1990.

The United States notes that in your statement of 20 November 1990, you refer to the commitment of the FMLN to refrain from certain categories of actions in order to strengthen confidence in its political will and in your good offices. My Government welcomes your statement that you trust and expect that this commitment will be adhered to, especially with regard to unarmed civilians.

My Government shares your belief, also reflected in your statement of 20 November, that given the necessary political will, the possibility of achieving important progress is within sight. My Government endorses without reservation your fervent appeal for restraint at this critical juncture, so that the continuing cycle of violence does not jeopardize the negotiating process.

On 20 November, the international community adopted by consensus General Assembly resolution 45/15, a call for the parties in El Salvador to make every possible effort to reach a negotiated solution to the armed conflict in that

country. On that same day, the FMLN launched its large-scale military campaign in callous disregard for its commitment to the negotiations process under your auspices.

These attacks are deplorable and unjustified. The United States urges the FMLN to cease its acts of violence and to negotiate in good faith with the Government of El Salvador. We are especially disturbed by the FMLN's explanation that they sought to "counter-balance the military operations of the armed forces and reduce its resistance to a political solution" while reiterating its "serious and good faith commitment not to abandon the process of negotiation". To expiate their aggression by such pretenses is unconscionable.

I request that this letter be circulated as a document of the General Assembly, under item 28 of the agenda, and of the Security Council.

(Signed) Thomas R. PICKERING

UNITED
NATIONS

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General Assembly

Distr.
GENERAL

A/45/800
27 November 1990
ENGLISH
ORIGINAL: RUSSIAN

Forty-fifth session
Agenda item 28
THE SITUATION IN CENTRAL AMERICA: THREATS TO INTERNATIONAL PEACE AND SECURITY AND PEACE INITIATIVES

Letter dated 27 November 1990 from the Permanent Representative of the Union of Soviet Socialist Republics to the United Nations addressed to the Secretary-General

I have the honour to submit herewith the text of the statement from the USSR Ministry of Foreign Affairs concerning the sharp deterioration of the internal political situation in El Salvador.

I request that the text of this letter and the attachment thereto be circulated as an official document of the General Assembly under item 28 of its agenda.

(Signed) Yuliy M. VORONTSOV

Attachment

Statement by the USSR Ministry of Foreign Affairs

In recent days there has been a sharp deterioration in the internal political situation in El Salvador. In response to counter-insurgency military activity by government troops, units of the Frente Farabundo Martí para la Liberación Nacional (FMLN) have launched the largest military operation since the beginning of the year, extending to many regions of the country. There have been many casualties, including civilians.

Underlying the escalation in the armed struggle are the serious disagreements between the parties which it has not yet been possible to resolve in the course of the talks that have been going on since April of this year between the Government and the insurgents with regard to a settlement of the civil conflict in El Salvador. Whatever the motives and tactical considerations of the parties, however, they cannot justify a new escalation of violence.

The logic of developments in El Salvador shows that attempts by either side to exert pressure through the use of force merely deadlock the negotiating process, increase mutual distrust, and destroy the positive groundwork laid in the course of the dialogue.

Such actions are repudiated by the international community, in which the resolve to facilitate a political breakthrough in the conflict is gaining strength. This determination was reflected in the adoption by consensus a few days ago in the United Nations General Assembly of a resolution in which this authoritative international organization unequivocally stated its support for a peaceful settlement in Central America.

In the Soviet Union it is hoped that the parties to the conflict will finally come to the understanding that the use of force in order to solve political problems is to no avail. Serious talks, mutual restraint, a readiness to compromise, and political realism are what is needed, in our view, for a prompt settlement of the crisis.

The Soviet Union is a consistent advocate of a peaceful solution in El Salvador, based on the understandings reached in Geneva and Caracas between the Government of El Salvador and the FMLN through the mediation of the Secretary-General of the United Nations. We call upon the parties to put an end to the bloodshed and to make new efforts with the aim of reaching political agreements and instituting a cease-fire as soon as possible.

UNITED
NATIONS

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General Assembly

Distr.
GENERAL

A/45/801
28 November 1990

ORIGINAL: ENGLISH

Forty-fifth session
Agenda items 76 and 134

COMPREHENSIVE REVIEW OF THE WHOLE QUESTION OF PEACE-KEEPING OPERATIONS IN ALL THEIR ASPECTS

ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the following reports of the Secretary-General, prepared pursuant to the requests contained in General Assembly resolution 44/192 of 21 December 1989 and/or Assembly resolution 44/49 of 8 December 1989, relating to peace-keeping:

(a) Review of the rates of reimbursement to the Governments of troop-contributing States (A/45/582);

(b) Support account for peace-keeping operations (A/45/493);

(c) The feasibility and cost-effectiveness of a reserve stock of equipment and supply items for United Nations peace-keeping activities (A/45/493/Add.1);

(d) Use of civilian personnel in peace-keeping operations (A/45/502).

The Committee also had before it the Secretary-General's reports on requirements for United Nations peace-keeping operations (A/45/217), standard operating procedures for peace-keeping operations (A/45/602), training manuals for peace-keeping (A/45/572), and model status-of-forces agreement for peace-keeping operations (A/45/594).

A. Review of the rates of reimbursement to the Governments of troop-contributing States

2. The Advisory Committee recalls, as indicated in paragraph 2 of the report of the Secretary-General (A/45/582) that, in response to General Assembly resolution 42/224 of 21 December 1987, the Secretary-General submitted a report to the Assembly at its forty-fourth session (A/44/500) on his review of the rates of reimbursement to the Governments of troop-contributing States. As a result of the receipt of incomplete data, it was concluded at that time that a realistic basis did not exist to draw conclusions on the adequacy of the current reimbursement rates. The rates became effective in December 1980, as follows:

(a) $950 per person per month for pay and allowances for all ranks;

(b) $280 per person per month as supplementary payment for specialists serving with the various Force contingents, limited to a maximum of 25 per cent for the logistic contingents and to 10 per cent for other contingents of their actual total strength;

(c) $65 per person per month for the usage factor for personal clothing, gear and equipment for all ranks;

(d) $5 per person per month for personal weaponry, including ammunition, for all ranks.

3. The Committee notes from paragraph 6 of the report of the Secretary-General (A/45/582) that the present review is based on the replies to a questionnaire of January 1989 from 11 of the 14 Member States currently providing troops to United Nations peace-keeping operations. The results of the analysis of the information provided by the 11 troop-contributors are set out in annexes I to III to the Secretary-General's report. According to annex I, the reported average cost for pay and allowances of troops in December 1988 ranged between $280 and $4,413 per person per month, with an overall average of $2,297 and a median of $2,356 compared to the 1980 overall average cost of $2,037 and the median cost of $1,944.

4. The Committee recalls the statement in paragraph 3 of the Secretary-General's report that "the standard rates of reimbursement, which were established with effect from October 1973 and were revised in 1977 and 1980, introduced equality of payment to Governments for providing troops to United Nations peace-keeping forces" (A/45/582). The Committee observes that the figures provided in annex I to the Secretary-General's report are total costs per person per month; no indication is given of the proportion of those costs which relate to overseas allowances. Upon inquiry, the Committee was informed that the overseas allowance alone paid by a number of troop contributors is higher than the reimbursement rate of $950 per person per month for pay and allowances for all ranks and that the highest average cost for a troop contributor of $4,413 includes $2,678 for overseas allowance per person per month.

5. The Committee notes from annex IV to the Secretary-General's report that for most of the troop-contributing States their costs not covered by the standard rates

of reimbursement (absorption factors) have increased, although the total average shows a decrease from 45.9 per cent in 1980 to 23.3 per cent in 1988. The Committee notes in this connection that the average costs of two troop-contributing States included in the analysis are disproportionately low and therefore distort the overall average costs. The Committee was informed that when the highest (plus 76.9) and the lowest (minus 264.5) absorption factors are eliminated, the arithmetic average is 49.3 per cent and the median is 58.5 per cent.

6. Annex V to the Secretary-General's report shows an increase of 7.4 per cent in the average cost per person per month in national currency between 1984 and 1988 for the nine troop-contributing States that had reported for both years. The Committee was informed that the 1984 data contained different elements from those reported for 1988 and are thus not directly comparable.

7. The Committee further notes that the information provided in annexes I, II, III and V to the Secretary-General's report is confined only to Member States that are at present participating in peace-keeping operations and that data of previous troop contributors have not been utilized. The Committee believes that the relevant data on a larger number of troop-contributors over a longer period of time would reflect more accurately the actual change in the average cost for pay and allowances.

8. The Advisory Committee notes that the Secretary-General has not recommended a change in the current rates of reimbursement. In this connection, the Committee has pointed out in paragraphs 5, 6 and 7 above certain methodological problems in the Secretary-General's analysis of the data provided by troop-contributing countries.

9. Under the circumstances, the Committee has concluded that some relief is necessary, especially when one considers the inflation that has occurred world wide over the last 10 years since the current rates were established in 1980. If the General Assembly agrees with the above conclusion, the Committee would recommend an increase of 4 per cent in the reimbursement rates.

B. Support account for peace-keeping operations

10. The report of the Secretary-General (A/45/493) has been submitted pursuant to General Assembly resolution 44/192 A which, inter alia, requested him to provide further information concerning problems related to overload posts and the proposed establishment of a support account for peace-keeping operations. Paragraphs 4 to 8 of the report summarize the Secretary-General's initial proposal for the establishment of a support account (A/C.5/44/45) and describe developments since that time, including the submission of a follow-up report to the Advisory Committee at its spring 1990 session. On the basis of that report (A/CN.1.R.1121), the Committee concurred in the interim establishment of a support account for peace-keeping operations, pending approval by the General Assembly on the arrangements to begin in 1991. As stated in paragraph 9 of the Secretary-General's report (A/45/493), the remainder of the report attempts to provide the additional information requested by both the General Assembly and the Advisory Committee.

11. With regard to the financing of the account, the Secretary-General stated in paragraph 13 that, "bearing in mind the Advisory Committee's observations on the matter", he "has given due consideration to all the possible means to bring about a fair and equitable methodology for the future financing of the support account".

12. As a result of such considerations, the Secretary-General proposed in paragraph 13 of his report that "beginning in 1991, the financing would be through the inclusion of a provision in each of the budgets of peace-keeping operations, in an amount equal to the average ratio in 1990 of the cost of overload posts to the cost of the civilian establishment in the mission areas, excluding the United Nations Transition Assistance Group (UNTAG). The Advisory Committee notes that the "proposed average ratio to be applied, beginning in 1991, in calculating the amounts to be included in each of the budgets of peace-keeping operations is 8.5 per cent of the cost (i.e., salaries, common staff costs and travel only) of the civilian component in the mission area of the respective peace-keeping operation". On that basis it is estimated that the level of the account would total approximately $7 million gross ($5.6 million net) at 1991 rates. The Advisory Committee notes that the Secretary-General considers the ratio appropriate "since it was derived from the aggregate cost of the existing overload posts, excluding UNTAG, expressed as a percentage of the aggregate cost of the civilian components in the mission areas".

13. As explained by the Secretary-General in paragraph 13 of his report, the ratio is based on five peace-keeping operations, three of which have military forces and two of which are observer missions; the civilian component differs in each case as to the number and grades of the staff members. Because of the dissimilar characteristics, the Secretary-General concluded that "the average ratio has a sound basis and should be proposed as a first step", it being understood that the ratio "will be subject to review and, if necessary, adjustment will be proposed within the context of reporting on the support account for peace-keeping operations". In this connection, the Secretary-General proposed that the financing method be reviewed at the end of the first two years, "in the light of the actual experience gained in the operation of the support account and taking into consideration the amounts made available to it from the budget proposals submitted in respect of the peace-keeping operations for consideration by the Advisory Committee and the General Assembly". In paragraph 4 of his report, the Secretary-General also proposed that "at the end of the financial period, any unencumbered balance would remain in the account for the purpose of providing assistance to the offices dealing with peace-keeping matters during periods of peak work-load, such as when new peace-keeping operations are being established".

14. The Advisory Committee has some reservations regarding the application of an "across the board" percentage in that this may not reflect the varied requirements of different peace-keeping operations, both current and future. Under the circumstances, the Committee takes note of the percentage recommended by the Secretary-General and believes that whatever percentage is approved by the General Assembly should be seen as a first step. The Advisory Committee understands that the "civilian establishment" referred to in paragraph 12 above does not include the civilian personnel referred to in paragraph 33 below.

15. The Committee intends to keep both the percentage approved by the General Assembly and the methodology on which it is based under review, and will recommend changes in methodology as necessary. In this connection, although the Secretary-General recommends that the financing method be reviewed at the end of the first two years, the Advisory Committee intends to request information regarding the support account, including data on the unencumbered balance, each time it examines proposals regarding the establishment and extensions of peace-keeping operations, thereby keeping the account under more frequent review. Likewise, should a peace-keeping operation terminate, the Advisory Committee would, in the context of its examination of the final performance report on that operation, examine the effect of that termination on the support account.

16. The criteria to be observed in the creation of all posts chargeable to the support account are provided in paragraph 16 of the Secretary-General's report; as indicated in paragraph 17, the approval of the Assistant Secretary-General for the Office of Programme Planning, Budget and Finance would be required for the creation of any post, subject to the prior concurrence of the Advisory Committee. All posts charged to the support account would be contained in the relevant sections and subsections of the proposed programme budget. The Advisory Committee notes the Secretary-General's statement in paragraph 17 of his report that "extreme care would be exercised in the application of all of these criteria" when considering proposals for the creation of posts to meet the additional work-load. In this connection, the Advisory Committee cautions the various offices concerned that the support account should not be misconstrued as a reserve fund whose sole purpose is to finance new posts as requested. Rather, it represents a mechanism for distributing the costs of overload posts among the peace-keeping operations and a means by which the flexible mobilization of overload posts among various offices can be achieved in response to changing requirements. The Advisory Committee therefore will review each request to ensure that, through the greater flexibility and efficiency which will be afforded by the establishment of this account, every effort has been made to achieve savings through consolidation of functions whenever possible.

17. The Advisory Committee understands that the account presently finances the current total of 92 overload posts, two of which are vacant. Of the remaining 90 posts, 49 are encumbered by staff members with permanent contracts; 41 are filled by staff with fixed-term contracts. The Committee was informed that, in the event peace-keeping operations are terminated and the support account is not able to fund the number of posts encumbered by staff members with permanent contracts, such individuals would be reassigned to other posts and other offices. Notwithstanding that statement, the Advisory Committee trusts that the Secretary-General will endeavour to maintain an appropriate mix/proportion of contractual arrangements so as to minimize potential problems in the reassignment of staff.

18. Bearing in mind its observations in the paragraphs above, the Advisory Committee recommends that the General Assembly approve the establishment of the support account for peace-keeping operations.

C. The feasibility and cost-effectiveness of a reserve stock of equipment and supply items for United Nations peace-keeping activities

19. The report of the Secretary-General (A/45/493/Add.1), which has been submitted pursuant to General Assembly resolution 44/192 A, attempts to expand on various elements of the Secretary-General's initial proposal to establish a reserve stock of equipment and supply items for United Nations peace-keeping activities which is contained in his report (A/44/605). In paragraph 28 of its related report (A/44/725), the Advisory Committee, in considering the Secretary-General's initial proposals, noted that it "[does] not believe that the Secretary-General [has] adequately addressed the question of the costs involved in the establishment of this reserve stock, including the locations for such stock, the physical facilities of storing such stock, and its maintenance and management". Consequently, the Advisory Committee requested the Secretary-General to develop the idea further for future consideration.

20. The Advisory Committee notes from paragraphs 3 and 4 of the report of the Secretary-General (A/45/493/Add.1) that, because the composition of recent peace-keeping operations has changed, with fewer calls for the rapid deployment of multi-battalion infantry forces, and, in the expectation that "this change in emphasis may continue", the Secretary-General has proposed "some slight modifications in the composition of items making up the reserve stock, but without any increase in the overall total of $15 million or change in the general concept of how the reserve stock should be managed".

21. As stated in paragraph 5 of the Secretary-General's report, "the principal justification for establishing a reserve stock of commonly used equipment and supply items is to enable rapid deployment and start-up of the various components of a newly-established operation in its mission area". While recognizing some limitations of such a reserve stock in terms of quantity or in terms of fully matching requirements, the Secretary-General emphasized that the key element of such a stock is that it would "include sufficient commonly used items to permit the United Nations to act when directed, without first having to go out to procure even the most basic necessities. However, the reserve stock would not include items which are readily available off the shelf from suppliers".

22. As indicated in paragraph 6 of his report, the Secretary-General is also of the view that the existence of a reserve stock "will minimize the initial start-up costs for a new operation", i.e., the ready availability of items from the reserve stock will permit the use of the "most efficient and economical methods of transportation to a new mission area". The Secretary-General also points out that the Organization sometimes has to sacrifice economy and quality in order to ensure immediate delivery of urgently needed items. The existence of a reserve stock would reduce such practice.

23. A revised reserve stock list making up the $15 million total is provided in paragraph 7 of the Secretary-General's report; as noted in paragraph 13, "the stock would consist only of new units and would be standardized to the extent possible". The Secretary-General also stated that "all existing and new peace-keeping

operations would be required to draw their current needs from the reserve stock and arrange for replacement items to be purchased, as new stock, from funds provided by the budget of the receiving mission, thus ensuring that the reserve stock always consisted of the most up-to-date items, in the best possible condition". Related to this is the fact that certain items may become obsolete or deteriorate if stored for an extended time.

24. The Secretary-General discussed storage locations in paragraphs 8 and 9 of his report, recalling that while the United Nations Supply Depot at Pisa, Italy, is available, "it may not be appropriate, or necessary, to store all items of a reserve stock at any single facility". Rather, for the reasons given, he suggested that it would be more advantageous to store certain items at other existing United Nations peace-keeping operations in the area.

25. The Advisory Committee notes from paragraph 15 of the Secretary-General's report that the reserve stock would be centrally controlled and managed from Headquarters New York, and that such stock could only be issued upon receipt of a special authorization from Headquarters.

26. The Advisory Committee inquired about the financing of the $15 million which, according to the Secretary-General (see para. 20 above), would be required to acquire the reserve stock outlined in his report (A/45/493/Add.1). In this connection, the Committee was informed that, although the least complicated procedure for the funding of the $15 million would be through an assessment on Member States, a more acceptable approach would be for the stock to be funded from the unencumbered cash balance remaining in the UNTAG account.

27. For the reasons provided by the Secretary-General, the Advisory Committee, in principle, believes that the establishment of a reserve stock may be beneficial.

28. The Advisory Committee recalls that in General Assembly resolution 44/191 of 21 December 1989, the Assembly approved the Secretary-General's proposal for the disposition of UNTAG property in the manner set out in annex III, paragraph 4, to his report (A/44/856) and paragraph 10 of the Advisory Committee's report (A/44/875). Under the terms of this proposal:

> "Equipment that conforms to established standardization or that is considered compatible to existing equipment or usable for future peace-keeping operations would be placed in reserve. Such equipment would include communciations equipment, a limited number of vehicles, electronic equipment, office equipment, office furniture and stores items. As and when such equipment is drawn from the reserve stock, appropriate credit would be recorded in the UNTAG Special Account."

29. As indicated in paragraph 14 of its report (A/45/7), the Advisory Committee was provided with preliminary schedules of equipment to be disposed of in the manner agreed to by the General Assembly, the residual value of which was initially estimated at $16.1 million. In examining the schedule of equipment to be held in reserve, the Committee notes that, in a number of instances, the equipment, particularly communication equipment, which the Secretary-General now indicates as necessary for the reserve stock appears to be available from the UNTAG reserve.

30. That being the case, the Advisory Committee believes that in many instances the requirements which would be met from the reserve now being proposed by the Secretary-General can be met from the UNTAG reserve, with the UNTAG account being credited as and when necessary from the account of the operation utilizing the equipment. Bearing in mind that not all the requirements of the reserve stock can be filled from the remaining UNTAG equipment, the Committee urges the Secretary-General to identify all possibilities for acquiring the necessary equipment through voluntary contributions, taking into account General Assembly resolution 44/49 of 8 December 1989, which, inter alia, requested the Secretary-General "to invite Member States, by means of a questionnaire, to identify those personnel, material and technical resources and services which they would be ready, in principle, to contribute to United Nations peacekeeping operations". The Advisory Committee also requests the Secretary-General to report to it at its spring 1991 session on the status of voluntary contributions.

D. Use of civilian personnel in peace-keeping operations

31. The Committee recalls, as indicated in paragraph 1 of the report of the Secretary-General (A/45/502), that the Secretary-General submitted the above-mentioned report at the request of the General Assembly in resolution 44/49 to undertake a study to identify those tasks and services which could be performed by civilian personnel in peace-keeping operations and to inform the Special Committee on Peace-keeping Operations accordingly. The Advisory Committee notes that the Secretary-General's report also addresses some of the administrative procedures and the terms and conditions that will cover participation of civilian personnel in United Nations peace-keeping operations pursuant to the request of the Assembly in resolution 44/192 A.

32. The Committee notes the statement in paragraph 2 of the report of the Secretary-General (A/45/502), that the Secretary-General's overall responsibility and authority in all operational and administrative areas cannot be delegated to non-United Nations personnel and "as a result the core civilian functions of a peace-keeping operation, including the political direction and the administration of an operation in the field in all its facets, must be performed by United Nations staff members". The Committee further notes that those civilian personnel made available by Governments who would have no contractual status with the United Nations would therefore be unable to perform core civilian functions such as political adviser, legal or certifying officer, whereas United Nations civilian personnel are subject to the United Nations rules and regulations. Considering the impact that this consideration would have on the potential use of civilian personnel, the Committee trusts that the Secretary-General will review and clearly specify functions which are deemed "core" on the basis of corresponding job descriptions and staffing tables.

33. The Advisory Committee had difficulty in fully understanding paragraph 3 of the Secretary-General's report. Upon inquiry, it was explained to the Committee that it was the intention to denote the three main categories of civilian personnel, which are as follows:

(a) Civilian personnel provided by Governments to the Secretary-General, at his request, performing tasks and services in substitution for United Nations staff or military personnel (see A/45/502, sect. II, paras. 4 and 5);

(b) Other groups of civilian personnel provided by Governments to the Secretary-General, at his request, performing certain functions for which military prsonnel would not be appropriate (see A/45/502, sect. III, paras. 6 and 7);

(c) Civilian employees of commercial contractors engaged by the Secretary-General, in certain circumstances, performing certain functions more cost-effectively than military personnel or United Nations staff (see A/45/502, sect III, paras. 9 and 10).

However, the Committee feels that, particularly in the case of peace-keeping operations, with a larger civilian component, it might be useful for the Secretary-General to request the Member States to provide additional civilian personnel in view of the overall programmatic and budgetary considerations.

34. According to paragraph 12 of the Secretary-General's report "Civilian personnel provided by Governments would have no contractual relationship with the United Nations. They would be placed at the disposal of, and under the authority of, the Secretary-General, following a formal request to their Government. The latter would provide the personnel either as a voluntary contribution or on the terms described in paragraph 14 below". As stated by the Secretary-General in paragraph 14 of his report,unless these personnel are provided without charge by the Government (i.e. as a voluntary contribution), the following considerations would apply:

(a) For larger groups of civilian personnel provided as self-contained organized units and substituting military units, contributing countries would be reimbursed at the standard rates for troop costs, with a differential for specialists as appropriate;

(b) Individuals or small non-organized groups of civilians would be paid their travel costs and a daily subsistence allowance by the United Nations; their basic salary and any allowances paid by the contributing countries would not be reimbursed.

35. The Committee has no objection, in principle, to the Secretary-General's proposal on the payment of civilian personnel in peace-keeping operations and reimbursement of contributing countries, as indicated in paragraph 14 of his report. However, the Committee points out that there may be small self-contained units of civilian personnel or larger groups of civilians not constituting an organized unit that would make the application of the above criteria rather difficult, especially if the services rendered are identical. The Advisory Committee therefore recommends that the policy and criteria of payment to civilian personnel and reimbursement of contributing countries should be kept under review, taking into account the operational requirements of the forthcoming peace-keeping operations. In this connection, the Committee recalled its recommendation in its

report (A/44/725) that standard administrative procedures governing the provision of civilian personnel should be established which would serve, mutatis mutandis, as the basis for an agreement with contributing States.